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**OF THE**  
**SENATE**  
**STATE OF MINNESOTA**  
**SIXTY-NINTH LEGISLATURE**

**1976**

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# Members of the Senate

Anderson, Jerald C.  
 Arnold, Norbert  
 Ashbach, Robert O.  
 Bang, Otto T., Jr.  
 Berg, Charles  
 Bernhagen, John  
 Blatz, Jerome V.  
 Borden, Winston W.  
 Brataas, Nancy  
 Brown, Robert J.  
 Chenoweth, John C.  
 Chmielewski, Florian  
 Coleman, Nicholas D.  
 Conzemius, George R.  
 Davies, Jack  
 Doty, Ralph R.  
 Dunn, Robert  
 Fitzsimons, Richard W.  
 Frederick, Mel  
 Gearty, Edward J.  
 Hansen, C. R. Baldy  
 Hansen, Mel  
 Hanson, Roger  
 Hughes, Jerome M.  
 Humphrey, Hubert H., III  
 Jensen, Carl A.  
 Josefson, J. A.  
 Keefe, John B.  
 Keefe, Steve  
 Kirchner, William G.  
 Kleinbaum, Jack I.  
 Knutson, Howard A.  
 Kowalczyk, Al  
 Larson, Lew W.

Laufenburger, Roger  
 Lewis, B. Robert  
 McCutcheon, Bill  
 Merriam, Gene  
 Milton, John  
 Moe, Roger D.  
 Nelson, Rolf  
 North, Robert D.  
 Ogdahl, Harmon T.  
 Olhoff, Wayne  
 Olson, Alec G.  
 Olson, Howard D.  
 Olson, John L.  
 O'Neill, Joseph T.  
 Patton, John M.  
 Perpich, A. J.  
 Perpich, George F.  
 Pillsbury, George S.  
 Purfeerst, Clarence M.  
 Renneke, Earl W.  
 Schaaf, David D.  
 Schmitz, Robert J.  
 Schrom, Ed  
 Sillers, Douglas H.  
 Solon, Sam G.  
 Spear, Allan H.  
 Stassen, J. Robert  
 Stokowski, Eugene E.  
 Stumpf, Peter P.  
 Tennesen, Robert J.  
 Ueland, Arnulf, Jr.  
 Wegener, Myrton O.  
 Willet, Gerald L.

# Officers of the Senate

Olson, Alec G. ....	President
Flahaven, Patrick E. ....	Secretary
Vavrosky, Joseph C. ....	First Assistant Secretary
Mattson, Janine ....	Second Assistant Secretary
Johnson, Paul ....	Third Assistant Secretary
Greenwalt, James E. ....	Fourth Assistant Secretary
Goodwin, George G. ....	Minority Secretary
Daly, Eugene P., Sr. ....	Sergeant-at-Arms
La Roque, Alvin C. ....	Assistant Sergeant-at-Arms
Ganje, Kay ....	Engrossing Secretary
Goff, Steven R. ....	Enrolling Clerk
Finn, Father Nicholas J. ....	Chaplain

## FIFTY-EIGHTH DAY

St. Paul, Minnesota, Tuesday, January 27, 1976

The Senate met at 12:00 o'clock noon and was called to order by the President.

Prayer was offered by the Chaplain, Father Nicholas J. Finn.

The roll being called, the following Senators answered to their names:

Anderson	Conzemius	Josefson	North	Schrom
Arnold	Davies	Keefe, J.	Ogdahl	Sillers
Ashbach	Doty	Keefe, S.	Olhoft	Solon
Bang	Dunn	Kleinbaum	Olson, A. G.	Spear
Berg	Fitzsimons	Knutson	Olson, H. D.	Stassen
Bernhagen	Frederick	Kowalczyk	Olson, J. L.	Stokowski
Blatz	Gearty	Larson	O'Neill	Stumpf
Borden	Hansen, Baldy	Lewis	Patton	Tennessee
Brataas	Hansen, Mel	McCutcheon	Pillsbury	Ueland
Brown	Hanson, R.	Merriam	Purfeerst	Wegener
Chenoweth	Hughes	Milton	Renneke	Willet
Chmielewski	Humphrey	Moe	Schaaf	
Coleman	Jensen	Nelson	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

### MEMBERS EXCUSED

Messrs. Kirchner; Laufenburger; Perpich, A. J. and Perpich, G. were excused from the Session of today.

### REPORTS FILED DURING THE INTERIM WITH THE SECRETARY OF THE SENATE

Various reports were filed during the 1975-76 interim by Retirement and Relief Associations and are filed in the office of the Secretary of the Senate; also reports made by the Legislative Audit Commission on various state institutions and boards; Mayo Medical School, Final Report, January 1, 1976; State Court Administrator, Eleventh Annual Report, 1974; Public Employees Retirement Association, Actuarial Valuation Report for the fiscal year ended June 30, 1975; Metropolitan Transit Commission, Multi-Occupancy Vehicle Usage in the Metropolitan Area, November, 1975; State Planning Agency, State Demographer, Minnesota Population Projections 1970-2000; Department of Public Welfare, Plan for ceasing operations at Hastings State Hospital and further de-

veloping Community Services, January 5, 1976; Metropolitan Transit Commission Budget, Calendar, 1976; Proposed 1976 Budget for the Metropolitan Waste Control Commission, January 1 through December 31, 1976; Commerce Commission, 1975 Annual Report; Department of Administration, Minnesota Data Security and Privacy Act, January 12, 1976; Metropolitan Transit Commission, Bus Service Expansion Program, Progress Report, January, 1976; Metropolitan Council, 1975 Annual Report.

### ELECTION OF OFFICERS

Mr. Moe nominated Steven R. Goff for Enrolling Clerk.

The question being taken on the above nomination,

And the roll being called, there were yeas 58 and nays 0, as follows:

Those who voted for Mr. Goff were:

Anderson	Davies	Josefson	Nelson	Sillers
Arnold	Doty	Keefe, J.	Olhoft	Solon
Ashbach	Dunn	Keefe, S.	Olson, A. G.	Spear
Bang	Fitzsimons	Kleinbaum	Olson, H. D.	Stassen
Berg	Frederick	Knutson	O'Neill	Stokowski
Bernhagen	Gearty	Kowalczyk	Patton	Stumpf
Borden	Hansen, Baldy	Larson	Pillsbury	Tennessee
Brataas	Hansen, Mel	Lewis	Purfeerst	Ueland
Brown	Hanson, R.	McCutcheon	Renneke	Wegener
Chmielewski	Hughes	Merriam	Schaaf	Willet
Coleman	Humphrey	Milton	Schmitz	
Conzemius	Jensen	Moe	Schrom	

The above named officer, having received the majority vote of all members voting, was duly elected Enrolling Clerk.

### OATH OF OFFICE

The Enrolling Clerk advanced to the desk and subscribed to the oath of office as administered by the President.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

June 2, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Gerald Christenson, 127 - 16th Avenue N.W., New Brighton, Ramsey County, has been appointed by me as Commissioner of the Department of Finance, effective June 1, 1975, for a term expiring January 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

June 25, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Peter L. Gove, 339 East 43rd Street, Minneapolis, Hennepin County, has been appointed by me as Executive Director of the Pollution Control Agency, effective June 25, 1975, for a term expiring January 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Natural Resources and Agriculture.

July 1, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Erling O. Johnson, 832 Eastwood Lane, Anoka, Anoka County, has been appointed by me to the State Board of Education, effective July 1, 1975, for a term expiring July 1, 1981.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Education.

July 2, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Thomas J. Simmons, 412 South 11th, Olivia, Renville County, has been appointed by me to the Municipal Commission, effective June 30, 1975, for a term expiring June 30, 1981.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

July 2, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Gordon Rosenmeier, 606 Southeast 1st Street, Little Falls, Morrison County, has been appointed by me to the Capitol Area Architectural and Planning Commission, effective July 1, 1975, for a term expiring July 1, 1979.

Mrs. Solveig Premack, 5226 Stevens Avenue, Minneapolis, Hennepin County, has been appointed by me to the Capitol Area Architectural and Planning Commission, effective July 1, 1975, for a term expiring July 1, 1979.

Mrs. Marjorie Vogel, 999 Kingman, Red Wing, Goodhue County, has been appointed by me to the Capitol Area Architectural and Planning Commission, effective July 1, 1975, for a term expiring July 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

July 2, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Bernard Carlson, 1216 Selmser Avenue, Cloquet, Pine County, has been appointed by me to the Minnesota Housing Finance Agency, effective July 2, 1975, for a term expiring January 1, 1977.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

July 2, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

James Pomush, 7 West Golden Lake Road, Circle Pines, Anoka County, has been appointed by me as Commissioner of the Work-

men's Compensation Commission, effective July 1, 1975, for a term expiring July 1, 1981.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Labor and Commerce.

July 2, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Earl B. Gustafson, 700 1st National Bank Building, Duluth, St. Louis County, has been appointed by me to the Minnesota Tax Court, effective July 1, 1975, for a term expiring March 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Taxes and Tax Laws.

September 10, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

John P. Millhone, 761 Lincoln Avenue, St. Paul, Ramsey County, has been appointed by me as Director of the Minnesota Energy Agency, effective September 1, 1975, for a term expiring January 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Natural Resources and Agriculture.

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Schaaf; Keefe, J. and McCutcheon introduced—

S. F. No. 1783: A bill for an act relating to obscenity; regulating the dissemination of sexual materials to young persons; prohibiting the public display of sexual materials; providing penalties; amending Minnesota Statutes 1974, Chapter 609, by adding sec-

tions; repealing Minnesota Statutes 1974, Sections 617.241; 617.-243; 617.26; 617.27; 617.291; 617.292; 617.293; 617.294; 617.295; 617.296; and 617.297.

Referred to the Committee on Judiciary.

Mr. Josefson introduced—

S. F. No. 1784: A bill for an act relating to highways; repealing a proposed amendment to Article XIV of the state constitution; repealing Laws 1975, Chapter 203, Sections 25 and 26.

Referred to the Committee on Transportation and General Legislation.

Messrs. Hansen, Mel; Keefe, S. and Brown introduced—

S. F. No. 1785: A bill for an act relating to elections; providing for the maintenance of voter registration files; amending Minnesota Statutes 1974, Section 201.081, Subdivisions 2 and 3.

Referred to the Committee on Transportation and General Legislation.

Messrs. Hansen, Mel; Keefe, S. and Olson, A. G. introduced—

S. F. No. 1786: A bill for an act relating to elections; providing for the maintenance of permanent registration systems in all counties; amending Minnesota Statutes 1974, Section 201.021, as amended.

Referred to the Committee on Transportation and General Legislation.

Messrs. Brown, Conzemius and Renneke introduced—

S. F. No. 1787: A bill for an act relating to corrections; providing for payment of hospitalization insurance for employees retiring before age 65; amending Minnesota Statutes 1974, Section 241.01, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Olson, A. G.; Kowalczyk and Laufenburger introduced—

S. F. No. 1788: A bill for an act relating to banks and banking; authorizing consumer banking facilities; providing penalties.

Referred to the Committee on Labor and Commerce.

Mr. Borden introduced—

S. F. No. 1789: A bill for an act relating to civil defense; pro-

viding for an interstate civil defense and disaster compact; repealing Laws 1951, Chapter 669.

Referred to the Committee on Governmental Operations.

Mr. Borden introduced—

S. F. No. 1790: A bill for an act relating to civil defense; requiring the executive council to declare an emergency when a disaster has occurred or is imminent; requiring the division of emergency service to assist in the provision of relief measures when a disaster occurs and to coordinate interjurisdictional disaster planning; amending Minnesota Statutes 1974, Sections 12.01; 12.02, Subdivision 1; 12.03; 12.25, Subdivisions 1 and 2; and Chapters 9, by adding a section; and 12, by adding sections.

Referred to the Committee on Governmental Operations.

Mr. Humphrey introduced—

S. F. No. 1791: A bill for an act relating to real estate; providing for limitation of action for damages based on errors in the survey of land; amending Minnesota Statutes 1974, Section 541.051, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Gearty introduced—

S. F. No. 1792: A bill for an act relating to the registration of title to real estate; fees of the registrar; providing that certain fees be credited to the assurance fund; eliminating the fees for filing the certified copy of the application for registration; amending Minnesota Statutes 1974, Sections 508.75 and 508.82.

Referred to the Committee on Judiciary.

Mr. Gearty introduced—

S. F. No. 1793: A bill for an act relating to real property; title registration; providing for the issuance of duplicate certificates of title to replace lost or destroyed duplicate certificates; prescribing fees of the registrar; amending Minnesota Statutes 1974, Sections 508.44 and 508.82.

Referred to the Committee on Judiciary.

Mr. Gearty introduced—

S. F. No. 1794: A bill for an act relating to courts; prescribing the jurisdictional limits of conciliation courts in the counties of Hennepin and Ramsey; amending Minnesota Statutes 1974, Sections 488A.12, Subdivision 3; and 488A.29, Subdivision 3.

Referred to the Committee on Judiciary.

Mr. Gearty introduced—

S. F. No. 1795: A bill for an act relating to retired state employees; providing certain hospital and medical insurance coverages at no cost to the state; amending Minnesota Statutes 1974, Section 43.491, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Gearty introduced—

S. F. No. 1796: A bill for an act relating to welfare; excluding certain payments made to members of Indian tribes from resources considered in determining eligibility for general assistance; amending Minnesota Statutes 1974, Section 256D.08, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Gearty introduced—

S. F. No. 1797: A bill for an act relating to welfare; providing that certain payments be disregarded in the calculation of income of persons eligible for general assistance; amending Minnesota Statutes 1974, Section 256D.08, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Humphrey and Borden introduced—

S. F. No. 1798: A bill for an act relating to energy; providing for certain restrictions on the use of energy in this state; requiring disclosure of energy consumption data in the sale of certain goods; establishing an energy research and development program; authorizing loans for improving home heating efficiency; prescribing penalties; appropriating money; amending Minnesota Statutes 1974, Sections 116H.02, by adding subdivisions; 116H.12, by adding a subdivision; 462A.02, by adding a subdivision; 462A.03, by adding a subdivision; 462A.05, by adding a subdivision; and Chapter 116H, by adding sections.

Referred to the Committee on Labor and Commerce.

Messrs. Borden and Humphrey introduced—

S. F. No. 1799: A bill for an act relating to energy conservation; providing for promulgation of quality standards and performance labeling of solar energy devices; exempting solar energy devices from property taxation; providing a ten percent credit against income tax for the cost of pollution control equipment and solar energy devices; extending feedlot pollution control equipment credit; exempting solar energy devices and pollution control equipment from sales taxation; amending Minnesota Statutes 1974, Sections 290.06, Subdivisions 9 and 9a; and 297A.25, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Section 272.02, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Wegener, Dunn and Hansen, Baldy introduced—

S. F. No. 1800: A bill for an act relating to unemployment compensation; disqualifying an individual from benefits for a voluntary termination of employment if within the previous three years he had received more than 13 weeks of benefits after a voluntary termination of employment; requiring the commissioner of the department of revenue to furnish certain information to the department of employment services; requiring the commissioner of the department of employment services to furnish certain information to the department of public welfare; providing that unemployment compensation benefits be taxable as gross income if the benefits and federal gross income exceed \$8,000; amending Minnesota Statutes 1974, Sections 268.12, Subdivision 12; and 290.61; Minnesota Statutes, 1975 Supplement, Sections 268.09, Subdivision 1; and 290.01, Subdivision 20.

Referred to the Committee on Labor and Commerce.

Messrs. Laufenburger and Conzemius introduced—

S. F. No. 1801: A bill for an act relating to the Whitewater River Valley; authorizing a conservation pilot program in the counties of Olmsted, Wabasha, and Winona; appropriating money.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Laufenburger introduced—

S. F. No. 1802: A bill for an act relating to the firemen's relief association of the city of Goodview; providing that years of service with the Goodview volunteer fire department shall be treated as years of service with the Goodview firemen's relief association; repealing Laws 1974, Chapter 188.

Referred to the Committee on Governmental Operations.

Mr. Conzemius introduced—

S. F. No. 1803: A bill for an act relating to appropriations; appropriating funds for modification and repair of Byllesby Dam.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Stokowski, Hansen, Mel and Gearty introduced—

S. F. No. 1804: A bill for an act relating to the city of Minneapolis; authorizing the city to directly negotiate and enter into contracts for solid waste collection and disposal; requiring approval of such contracts by the metropolitan council.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Hansen, Baldy introduced—

S. F. No. 1805: A bill for an act relating to motor vehicle carriers; reinstating the rights of certain permit carriers upon filing proof of insurance or other security; amending Minnesota Statutes, 1975 Supplement, Section 221.141, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Mr. Borden introduced—

S. F. No. 1806: A bill for an act relating to state administrative procedures; amending Minnesota Statutes, 1975 Supplement, Section 15.0411, Subdivisions 3 and 4.

Referred to the Committee on Judiciary.

Messrs. Brown and Bernhagen introduced—

S. F. No. 1807: A bill for an act relating to buildings; granting an easement for sunlight to persons owning buildings using a solar energy system; providing for treble damages against persons violating the easement.

Referred to the Committee on Judiciary.

Messrs. Stokowski, Gearty and Ogdahl introduced—

S. F. No. 1808: A bill for an act relating to retirement; proportionate annuities for members of various funds; amending Minnesota Statutes, 1975 Supplement, Section 356.32, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski, Gearty and Ogdahl introduced—

S. F. No. 1809: A bill for an act relating to the city of Minneapolis; municipal employees survivor benefits; amending Minnesota Statutes 1974, Section 422A.23, Subdivisions 2 and 3; repealing Minnesota Statutes 1974, Section 422A.23, Subdivision 4.

Referred to the Committee on Governmental Operations.

Mr. Schmitz introduced—

S. F. No. 1810: A bill for an act relating to the city of Shakopee; authorizing an increase in fire department relief association lump sum service benefits.

Referred to the Committee on Governmental Operations.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the

following House Files, herewith transmitted: H. F. Nos. 256, 341 and 603.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted May 19, 1975

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 645, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 645: A bill for an act relating to health; authorizing a state subsidy to local units of government for providing community health services; prescribing the powers of the state board of health; appropriating money.

House File No. 645 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted May 19, 1975

Mr. Anderson moved that H. F. No. 645 and the Conference Committee Report thereon be laid on the table and the Conference Committee Report be printed in the Journal. The motion prevailed.

#### **CONFERENCE COMMITTEE REPORT ON H. F. NO. 645**

A bill for an act relating to health; authorizing a state subsidy to local units of government for providing community health services; prescribing the powers of the state board of health; appropriating money.

May 19, 1975

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 645 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. 645 be further amended as follows:

Strike everything after the enacting clause and insert

“Section 1. [PURPOSE; CITATION.] Subdivision 1. [PURPOSE.] The purpose of this act is to develop and maintain an integrated system of community health services under local

administration with a system of state guidelines and standards.

Subd. 2. [CITATION.] Sections 1 to 13 of this act may be cited as the "community health services act".

Sec. 2. [DEFINITIONS.] Subdivision 1. For the purposes of this act, the following terms shall have the meanings here given them.

Subd. 2. "Human services" means correctional, educational, employment, health, mental health, and social services.

Subd. 3. "Health services" means those personal health services provided to individuals by licensed health professionals engaged in private practice, institutional health services and community health services.

Subd. 4. "Institutional health services" means the services provided in hospitals, nursing homes and other licensed health facilities.

Subd. 5. "Community health services" means those services designed to protect and improve the people's health within a geographically defined community by emphasizing services to prevent illness, disease, and disability, by promoting effective coordination and use of community resources, and by extending health services into the community. These services include community nursing services, home health services, disease prevention and control services, family planning services, nutritional services, dental public health services, emergency medical services, health education, and environmental health services.

Subd. 6. "Community nursing services" means public health nursing services that emphasize prevention by providing family centered nursing, including prenatal, well child, crippled child, school health, family planning, and nutritional services as well as individual and family health appraisal, screening, follow up, and referral for personal health services.

Subd. 7. "Home health services" means home nursing, physical therapy, nutrition, occupational therapy, homemakers, and home health aide services, which are provided under medical supervision.

Subd. 8. "Disease prevention and control services" means epidemiology, immunization, case finding and follow up, continuing surveillance, detection, and prevention of communicable diseases and chronic diseases including referrals for personal health services.

Subd. 9. "Family planning services" means counseling by trained personnel regarding family planning; distribution of information relating to family planning, referral to licensed physicians or local health agencies for consultation, examination, medical treatment, genetic counseling, and prescriptions for the purpose of family planning; and the distribution of family planning products, such as charts, thermometers, drugs, medical preparations, and contraceptive devices. For purposes of this act, family planning shall mean voluntary action by individuals to prevent or aid conception but

shall not include the performance, or make referrals for encouragement of voluntary termination of pregnancy.

Subd. 10. "Nutritional services" means those activities designed to provide information about food substances which will alleviate dietary deficiencies and resulting health complications.

Subd. 11. "Dental public health services" means those organized community activities that are intended to prevent dental disease and promote dental health, including information, education and demonstration of actions that individuals and families can take to prevent dental disease and maintain dental health.

Subd. 12. "Emergency medical services" means those services which provide rapid and effective medical treatment to persons beset by a life threatening situation, at the scene of the emergency, enroute to a treatment center, and in the emergency department of that treatment center.

Subd. 13. "Health education" means those activities which develop each individual's awareness and sense of responsibility for his own health, the health of the family, and the health of the community, including basic information concerning the availability of health services in the community.

Subd. 14. "Environmental health services" means those services designed to achieve an environment conducive to man's health, comfort, safety, and well being. These services include food protection, hazardous substances and product safety, water supply sanitation, septic tank and soil absorption type sewage disposal, water pollution control, occupational health and safety, radiation control, air pollution control, noise pollution control, vector control, institutional sanitation, recreational sanitation including swimming pool sanitation and safety, housing code enforcement for health and safety purposes unless the enforcement is performed by another city or county agency designated by the county board or city council, and general nuisance control.

Subd. 15. "Population" means the total resident population as enumerated during the most recent federal census or, the annual population estimate prepared by the state planning agency in cooperation with the bureau of the census shall be used in order to have the most current data available.

Subd. 16. "Taxable value" means the adjusted assessed valuation of a county which shall be certified annually to the state board of health by the equalized assessment review committee.

Subd. 17. "Local expenditure" means the total annual expenditures financed from all sources by counties and other local units of government within a county for community health services. The county auditor shall annually certify to the state board of health the total amount of such community health services expenditures on forms and in such detail as may be prescribed by the state board of health.

Subd. 18. "Per capita income" means the average income of the

residents of a particular jurisdiction as calculated by the most recent federal census.

Subd. 19. "County board" means a county board of commissioners.

Subd. 20. "Board of health" means a local board of health organized under the provisions of section 3.

**Sec. 3. [LOCAL BOARD OF HEALTH; ORGANIZATION.]**  
Subdivision 1. [COUNTIES.] A county may by resolution organize a board of health under the provisions of this section exercising one of the following options, and assign the responsibilities of this act accordingly:

(a) **Human Services Board**—The county board of a county that has or hereafter establishes an operational human services board pursuant to Minnesota Statutes, Chapter 402, or Laws 1974, Chapter 293, shall assign the responsibilities of this act to the human services board.

(b) **County Board** — The county board may assume the responsibilities of the board of health pursuant to this act.

(c) **Board of Health**—The county board may assign the responsibilities of a board of health under this act to the board of health of said county organized under Minnesota Statutes, Sections 145.47 to 145.55, or Laws 1969, Chapter 235.

(d) **Board of Health**—The county board may organize a board of health and assign the responsibilities of this act to such board of health. The board of health for a single county shall consist of five members appointed by the county board. When two or more counties combine to form a board of health, each county board shall appoint two members to the board of health, except that the county board having the largest population shall appoint three such members. At least two members of the board of health shall be providers of health services. The remaining members shall be laymen representative of the people in the community and shall include at least one person who is not a member of the county board. Continuity of membership shall be assured by having approximately one third of the members' terms expire each year. First appointments may be for less than three years, thereafter all terms shall be three years. No member shall serve more than three consecutive terms. The board shall elect a chairman and vice chairman with terms of one year.

Subd. 2. [CITIES.] A city, located in a county with a population of 300,000 or more persons, or any city which is located in three counties, may by resolution organize a board of health under the provisions of this section exercising one of the following options, and assign the responsibilities of this act accordingly;

(a) **City Council**—The city council may assume the responsibilities of the board of health pursuant to this act.

(b) **Board of Health**—The city council may assign the re-

sponsibilities of the board of health to the board of health of said city organized under Minnesota Statutes, Section 145.01.

(c) Board of Health—The city council may organize a board of health and assign the responsibilities of this act to such board of health. The board of health for a single city shall consist of five members appointed by the city council. When two or more cities combine to form a board of health, each city council shall appoint two members to the board of health, except that the city council of the city having the largest population shall appoint three such members. At least two members of the board of health shall be providers of health services. The remaining members shall be laymen representative of the people in the community and shall include at least one person who is not a member of the city council. Continuity of membership shall be assured by having approximately one third of the members' terms expire each year. First appointments may be for less than three years, thereafter all terms shall be three years. No member shall serve more than three consecutive terms. The board shall elect a chairman and a vice chairman with terms of one year.

Subd. 3. [ADVISORY COMMITTEE.] In each case where a board of health has been assigned the responsibilities of this act a single local community health services advisory committee shall be established by the participating county boards or city councils to advise, consult with, or make recommendations to the board of health on matters relating to the development, maintenance, funding, and evaluation of community health services. The committee shall consist of not less than nine members and no more than 21 members. The membership of the advisory committee shall be as follows: at least one third providers of health services, including at least three licensed health professionals; and at least one third consumers selected to represent consumers organizations or constituencies within the community, provided, however, that the advisory committee to a county board of health for a county with 300,000 or more persons shall be as follows: at least 51 percent local government officials and the remainder divided equally between providers of health services and consumers. Continuity of membership of each advisory committee shall be assured by having an approximately equal number of terms expire each year. First appointments may be for less than two years, thereafter all terms shall be two years and no member shall serve more than three consecutive terms. Notwithstanding any law to the contrary, members may receive a per diem and be reimbursed for travel and other necessary expenses while engaged in their official duties, as determined by the appointing authority. The committee shall elect officers including a chairman and vice chairman with terms of one year. The committee shall meet at least six times a year and at the call of the chairman or a majority of the members.

Sec. 4. [LOCAL BOARD OF HEALTH; AUTHORITY.] Subdivision 1. [GENERAL DUTIES.] The board of health shall have general authority and responsibility for the development

and maintenance of an integrated system of community health services.

Subd. 2. [POWERS.] In addition to any other powers assigned to a board of health by sections 1 to 11, the board of health for a county shall possess all the powers and duties now assigned by law to local boards of health pursuant to Minnesota Statutes, Section 145.01, and to public health nursing and home health services agencies pursuant to Minnesota Statutes, Sections 145.08 to 145.125, provided however that this subdivision shall not supersede or otherwise change the powers and duties of any city or township eligible for the subsidy under the provisions of section 7 of this act, or of any city of the first or second class with an existing program of community health services located within a county with a population of 300,000 or more persons until the city council of said city shall take action to allow the county to pre-empt the powers and duties of said city. Not later than 365 days after the approval of the community health services plan by the state board of health, any county or city board, committee or commission having authorities or duties in any area designated in sections 1 to 11 other than the board of health designated and acting pursuant to sections 1 to 11, shall cease its operation and no per diem or reimbursement of expenses shall be paid to any member of the board, committee, or commission.

Subd. 3. [EMPLOYEES.] The board of health may employ administrators, officers, employees, and agents as necessary to carry out the provisions of this act. Employees of the board of health shall be subject to any personnel administration rules adopted by the county board or boards or the city council or councils unless by law the employees or a class of employees shall be within the scope of a state wide personnel administration system. All persons employed by a county, city or the state, whose functions and duties are assumed by the board of health shall become employees of the board of health without loss in benefits, salaries or rights.

Subd. 4. The board of health by any lawful means, including gifts, purchase, lease, or transfer of custodial control, may acquire and hold in the name of the county or city the lands, buildings, and equipment necessary and incident to the accomplishment of the purposes of this act and accept gifts, grants, and subsidies from any lawful source, apply for and accept state and federal funds, request and accept local tax funds, establish and collect reasonable fees for community health services provided.

Subd. 5. The board of health may contract for services from private firms, nonprofit corporations, primary and secondary schools, state and local governmental agencies, or other community agencies to avoid unnecessary duplication of services and realize cost advantages. The board of health may offer to contract to provide public health nursing and other school health services to the schools within its jurisdiction. The contracts shall be employed to improve efficiency and the quality and effectiveness of services and shall give preferential consideration to existing municipal programs. Contracts shall be awarded on the basis of cost benefit comparisons and considerations.

Subd. 6. The board of health shall coordinate community health services with the delivery of personal health services, institutional health services, and related human services in the community; ensure responsible medical consultation and direction by employing or contracting with a practicing licensed physician; and coordinate community health services with health related environmental control services in the community. The board of health shall coordinate local, state, and federal services and funding for community health services.

Subd. 7. The board of health shall evaluate the effectiveness and efficiency of community health services systems and programs and as a condition of qualifying for the community health services subsidy, prepare the annual community health services plan and budget, as provided in section 10.

Subd. 8. The board of health shall identify community health needs and set priorities among the needs for the broad range of community health services including the health needs of minorities and nonresidents, including tourists and migrants, and ensure that services are accessible to all persons on the basis of need and that no one is denied services because of race, color, sex, age, language, religion, nationality, economic status, political persuasion or place of residence.

Subd. 9. The board of health shall recommend appropriate local legislation pertaining to community health services to the county board or city council and shall advise the state board of health on matters relating to public health that require assistance from the state, or that may be of more than local interest.

Subd. 10. The board of health shall publish for distribution an annual report of the activities of the board of health.

Subd. 11. When the board of health determines that there is an acute shortage of medical or other health manpower, or that there is a significant problem in providing access to health care in the area, the board of health shall address itself to the resolution of those problems. The solution may involve providing assistance to recruit medical or other health personnel to the area, or the development of suitable linkages between area medical and allied health personnel that will make more effective use of existing private, nonprofit and community resources and extend health care into the community.

Sec. 5. [DUTIES OF COUNTY BOARD.] Subdivision 1. A county board of any county having a board of health organized under this act shall review and approve the community health services plan prior to the submission of the plan to the state board of health. The plan submitted by the county board shall incorporate the plans developed by any city organized under the provisions of section 3 that has established eligibility under the provisions of section 7. Upon receipt of the community health services plan, or any proposed revision, from a city, the county board shall review and act on the plan or the proposed revision within 30 days. The county board may approve the plan as writ-

ten or refer the plan back to the city with comments and instructions for further consideration. The city or the county may appeal to the state board of health for resolution of differences regarding the community health services plan. A failure to act within the specified time shall constitute approval of the plan.

Subd. 2. A county board of any county having a board of health organized under this act may by ordinance adopt and enforce minimum standards and regulations for the services comprehended under this act; provided, however, that no county regulations shall conflict with state legislation or with higher standards established either by regulation of an agency of state government or by the provisions of the charter or ordinances of any city organized under the provisions of this act.

Sec. 6. [BUDGET; FUNDS.] Subdivision 1. On or before July 1 of each year the board of health, if other than the county board, or the joint board of two or more county boards, or the city council or councils, shall submit to the county board or boards or the city council or councils an estimate of the amount needed by the board of health to perform its duties including costs of administration for the ensuing year. The proposed plan and budget shall set forth the expected source and amounts of funds which are expected to be available to the board of health and its proposed plan of expenditures to perform its duties and responsibilities. The county board or boards or the city council or councils shall consider the estimates of income and the plan for expenditures and as the estimates and plan are approved or approved as modified, shall levy a tax within the levy limits provided by law.

If two or more counties or cities have agreed as provided in Minnesota Statutes, Section 471.59, to a joint or multi-county or multi-city or multi-city-county activity, the county boards or city councils party to the agreement shall determine the proportional financial responsibility of each county or city to support the programs and services of the board of health if the agreement had not provided for the division of costs or other arrangements pursuant to the agreement.

Sec. 7. [ELIGIBILITY; WITHDRAWAL.] Subdivision 1. [ELIGIBILITY OF COUNTIES.] A county or two or more contiguous counties combined under the provisions of Minnesota Statutes, Section 471.59, shall be eligible for the community health services subsidy provided in section 11 under the following conditions:

(a) There shall be an aggregate population of 30,000 or more persons in the county or multi-county area located within a region designated pursuant to Minnesota Statutes, Sections 462.-381 to 462.396, or Chapter 473B. However, when three or more counties combine for the purposes of this act, the 30,000 minimum population shall not be required. When two or more counties combine for the purposes of this act, the state board of health with the approval of the regional development commissions directly involved, may waive the requirements that all

counties be within a single development region; provided however, that if a single county has received an exemption for formation of a human services board pursuant to Minnesota Statutes, Section 402.01, the population base of 30,000 is waived and such county shall be eligible for participation in this act;

(b) There shall be a board of health organized under the provisions of section 3;

(c) There shall be substantial compliance with the requirements of the state board of health established under the provisions of section 8;

(d) There shall be local matching funds provided to support the community health services as provided in section 11;

(e) The plan developed under the provisions of section 10 shall be approved by both the county board and the state board of health.

Failure of a county or group of counties to elect to come within the provisions of sections 1 to 11 shall not affect their eligibility for any other state subsidy.

Subd. 2. [ELIGIBILITY OF CITIES.] A city having a city health department organized under the provisions of chapter 145 and located in a county having a population of 300,000 or more persons, or two or more contiguous cities combined under the provisions of section 471.59, having an aggregate population of 65,000 or more persons and located in a county having a population of 300,000 or more persons, shall be eligible for the community health services subsidy under the provisions of this act if:

(a) There is a board of health organized under the provisions of section 3, subdivision 2;

(b) There is substantial compliance with the requirements established by the state board of health under the provisions of section 8;

(c) There are local matching funds provided to support the community health services as provided in section 11;

(d) The plan developed under the provisions of section 10 shall be consistent with the plan developed by the county and shall be approved by both the city council and the county board.

The city's proportionate share of the community health service subsidy shall be determined by calculating the proportion of local expenditures for community health services within the county that were expended by the city. In a county which has, or hereafter establishes, an operational human services board pursuant to section 3, subdivision 1, the subsidy payment shall be made to the human services board pursuant to Minnesota Statutes, Section 402.02, Subdivision 4. The human services board shall assure that those cities which establish eligibility under this subdivision receive their proportional share of the subsidy by entering into a contract with the city under which the city shall provide community health services in return for their share of the subsidy.

Subd. 3. [ELIGIBILITY OF CITIES.] A city located within three or more counties and any contiguous political subdivision or subdivisions shall have the authority to combine, for the purposes of this act, under the provisions of Minnesota Statutes, Section 471.59, and shall be eligible for a proportional share of the subsidy provided in section 11 for the counties under the following conditions:

(a) There shall be an aggregate population of 40,000 or more persons;

(b) There is a board of health organized under the provisions of section 3;

(c) There is substantial compliance with the requirements established by the state board of health under the provisions of section 8;

(d) There are local matching funds provided to support the community health services as provided in section 11;

(e) The plan developed under the provisions of section 10 shall be approved by the city council and the governing bodies of each of the political subdivisions and by the state board of health.

The proportionate share of the subsidy for the city and any contiguous political subdivision combined with such city shall be determined by calculating the proportion of total county population that live in the city and the contiguous political subdivisions. When all three counties within which the city is located have combined under the provisions of this act, the subsidy payment shall be made to the multi-county board of health. The multi-county board of health shall enter into a purchase of service contract to provide a proportional share of the subsidy to the city and any contiguous political subdivisions that establish eligibility under the provisions of this subdivision.

Subd. 4. [WITHDRAWAL.] Any participating county or city may, by resolution of its governing body, indicate its intention to withdraw from the subsidy program established by this act. Notification shall be given to the state board of health and to each county or city in any multi-county or multi-city combination, at least one year before the beginning of the fiscal year in which it takes effect. When two or more counties or cities have combined for the purposes of sections 1 to 11, the withdrawal provision shall not be applicable during the first two years following the adoption of the initial agreement to combine. The withdrawal of a county or city from a group of two or more counties or cities combined for the purposes of sections 1 to 11 shall not affect the eligibility for the community health services subsidy of the remaining counties or cities for at least one year following the withdrawal.

Sec. 8. [DUTIES OF THE STATE BOARD OF HEALTH.]  
Subdivision 1. The state board of health shall:

(a) Provide consultation and technical training to communities to assist them in the development and provision of services, encouraging multi-county configurations to ensure that a county

will not be isolated geographically and thereby ineligible for the subsidy.

(b) Develop guidelines and recommended administrative procedures through a planning process with representation from local health boards. Adoption of these guidelines and administrative procedures by the board of health shall not be a prerequisite for plan approval.

(c) Promulgate regulations in accordance with Minnesota Statutes, Chapter 15, for the purposes of establishing standards for:

(1) Training, credentialing, and experience requirements for key administrative personnel to ensure expertise in administration, planning, and in each services program included in the community health services plan;

(2) A uniform reporting system that will permit an assessment of the efficiency and effectiveness of service delivery programs; and

(3) A planning process that will encourage full community participation in the development of the community health services plan.

(d) Review and act on the community health services plan and any proposed revision within 60 days after receiving the plan or revision. The state board of health may approve the plan as written or refer the plan back to the applicant with comments and instructions for further consideration. A failure to act within the specified time shall constitute approval of the plan.

(e) Provide application forms and instructions for preparation and submission of applications for the community health services subsidy, in accordance with the provisions of section 10.

Subd. 2. The state board of health may enter into an agreement as prescribed in Minnesota Statutes, Section 145.55, with any county or city or group of counties or cities organized under the provisions of section 3 to perform all or part of the licensing, inspection, and enforcement duties authorized under the provisions of Minnesota Statutes, Sections 144.075 and 144.12 and Chapter 157.

Sec. 9. [COMMUNITY HEALTH SERVICES ADVISORY COMMITTEE.] An advisory committee is established to advise, consult with, and make recommendations to the state board of health on matters relating to the development, maintenance, funding and evaluation of community health services. Each board of health meeting the eligibility requirements of section 7 of this act may appoint a member to serve on the committee. The terms shall be two years and no member shall serve more than three consecutive terms. Continuity of membership shall be assured by having an approximately equal number of terms expire each year. Members may receive a per diem and shall be reimbursed for travel and other necessary expenses while engaged in their official duties. The committee shall meet at least

quarterly and special meetings may be called by the chairman or a majority of the members.

Sec. 10. [COMMUNITY HEALTH SERVICES PLAN.] Subdivision 1. [PLAN CONTENT.] The community health services plan shall be a written plan for the development, implementation, coordination, and operation of community health services that meet the priority needs of the community. Financial constraints and differing priorities may result in variations in levels of effort for different services. The plan shall include the following:

(a) A description of the process used to encourage full community participation in the development of the plan;

(b) An explanation of the extent to which the planning and service delivery systems have been integrated with the delivery of personal health services, institutional health services, health related environmental programs and services, and with related human services in the community. The plan shall include a statement of the priority needs of the community and an inventory of existing health related services in the community;

(c) Descriptions of each service program including each of the following: Community nursing services, home health services, disease prevention and control services including immunization, emergency medical services, health education, and environmental health services;

(d) The projected amount and sources of funding for carrying out the plan;

(e) A report and evaluation of the two preceding years community health service programs.

Subd. 2. [PLAN SUBMISSION.] The application for a community health services subsidy and the plan and any proposed revision of the plan shall be submitted to the appropriate regional development commission or to the metropolitan council and to the state board of health. The regional development commission or the metropolitan council shall review the plan to determine conformance with regional plans developed by the health systems agency under the provisions of the National Health Planning and Resource Development Act of 1974, and submit their findings and other comments and recommendations to the state board of health within 40 days after receiving the plan.

Sec. 11. [COMMUNITY HEALTH SERVICES SUBSIDY.] Subdivision 1. [PAYMENT.] When a city, county, or group of cities or counties meets the requirements prescribed in section 7, the state board of health shall pay the amount of subsidy to the city or county in accordance with applicable rules and regulations from the funds appropriated for the purpose. The state board of health may make an advancement of funds on a quarterly basis.

Subd. 2. [FORMULA.] To determine the amount to be paid participating cities and counties, the state board of health shall

apply the following formula using the most current data available:

(a) All counties will be ranked in accordance with a formula involving three factors:

(1) Per capita income;

(2) Per capita taxable value; and

(3) Per capita local expenditure per 1,000 population for community health services.

(b) Each county is then ranked as follows:

(1) On the basis of per capita income the ranking is from the lowest to the highest;

(2) Per capita taxable value is ranked from lowest to highest;

(3) Per capita expenditure is ranked from highest to lowest.

(c) The ranking given each county on each of the foregoing three factors is then totaled and the counties ranked in numerical order according to score.

(d) The total score for each county thus determined is then divided into a median total score. The quotient thus obtained is then multiplied by \$2.25 times the county population. The resulting product is the amount of subsidy to which the county is eligible under this formula, provided that no city or county shall receive less than \$1.75 or more than \$2.75 per capita, provided that such computation shall not include additional subsidies granted pursuant to subdivision 4 or subdivision 5 of this section.

Subd. 3. [LOCAL MATCH.] The amount of local matching funds required to receive the full subsidy shall be determined by multiplying the population by \$4.50 and subtracting the community health services subsidy allocated under the provisions of this section. The local matching funds may include local tax levies, gifts, fees for services and revenues from contracts. When the amount of local matching funds is less than the amount specified, the state formula subsidy shall be reduced proportionally. When a participating city or county fails to expend the full amount of the subsidy to which it would be entitled in any one year under the provisions of this act, the state board of health may, at its discretion, retain the surplus, subject to disbursement in the following year to the city or county if it can demonstrate a need for and ability to expend the surplus for the purposes provided in section 8. A city organized under the provisions of this act that levies a tax for provision of community health services shall be exempted from any county levy for the same services to the extent of the levy imposed by the city.

Subd. 4. [PAYMENT.] A city, county, or group of cities or counties with an aggregate population of 50,000 or more persons which meet the eligibility requirements of section 5 shall be entitled to an additional annual payment of \$.25 per capita.

Each county that combines with another county or counties

for the purposes of sections 1 to 11 shall be entitled to an additional annual payment of \$5,000.

Subd. 5. [PLANNING GRANTS.] The state board of health may provide grants to any county or group of counties showing intent to come within the provisions of sections 1 to 11 for the purpose of planning for the development, implementation, and operation of community health services. No single county shall receive more than \$25,000 to conduct the planning. The state board of health shall specify the terms and conditions of grants.

Sec. 12. [SPECIAL GRANTS.] Subdivision 1. The state board of health may make special grants to cities, counties, groups of cities or counties, or nonprofit corporations to establish, operate or subsidize clinic facilities and services, including mobile clinics, to furnish health services for migrant agricultural workers and their families in areas of the state in which significant numbers of migrant workers are located. Applicants shall submit for approval a plan and budget for the use of the funds in the form and detail specified by the state board of health. They shall maintain records, including records of expenditures to be audited, as the state board of health specifies.

Subd. 2. The state board of health may make special grants to local boards of health to establish, operate, or subsidize clinic facilities and services to furnish health services for native Americans who have no established county of residence. The community health services plan submitted by the local board of health must contain a proposal for the delivery of the services and documentation of input by affected segments of the community to the plan in order to qualify for a grant under this subdivision.

Sec. 13. [APPROPRIATION TRANSFER.] The commissioner of finance is authorized to transfer funds from any appropriation made to the state board of health to the appropriation provided in section 14 of this act. Such transfer shall occur after a request by the commissioner of health identifying the specific amounts from each appropriation, and the programs effected by the requested transfer. The commissioner of health shall furnish copies of each request to the committee on finance of the Senate and the committee on appropriations of the House of Representatives.

Sec. 14. [APPROPRIATION.] Subdivision 1. The sum of \$1,500,000 is appropriated from the general fund to the state board of health for the biennium ending June 30, 1977 for the purposes specified in section 11, subdivisions 1 to 4.

Subd. 2. The sum of \$400,000 is appropriated from the general fund to the state board of health for the biennium ending June 30, 1977 for the purposes specified in section 11, subdivision 5.

Subd. 3. The sum of \$150,000 is appropriated from the general fund to the state board of health for the biennium ending June 30, 1977 for the purposes specified in section 12, subdivision 1.

Subd. 4. The sum of \$150,000 is appropriated from the general fund to the state board of health for the biennium ending June 30, 1977 for the purposes specified in section 12, subdivision 2.

Subd. 5. The sum of \$500,000 is appropriated to the general contingent fund for the purposes specified in section 11, subdivisions 1 through 4, to be expended in the manner prescribed in Minnesota Statutes 1974, Section 3.30.

Subd. 6. The sum of \$50,000 is appropriated from the general fund to the state board of health for the biennium ending June 30, 1977 for the purpose of administering section 8.

Sec. 14. [EFFECTIVE DATE.] The effective date of this act is July 1, 1975 except for section 11, subdivisions 1 to 4, which shall be effective July 1, 1976."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Donald Samuelson, Claudia Meier, Richard Wigley.

Senate Conferees: (Signed) Jerald Anderson, William Kirchner, John Milton.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 749, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 749: A bill for an act relating to controlled substances; providing medical and educational intervention, evaluation, and treatment of persons in possession of small amounts of marijuana; providing penalties for possession of small amounts of marijuana; and prohibiting municipalities from enacting ordinances imposing greater civil or criminal penalties than provided by state law for the possession, sale or distribution of small amounts of marijuana; amending Minnesota Statutes 1974, Section 152.15, Subdivision 2, and by adding a subdivision.

House File No. 749 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted May 19, 1975

Mr. Tennesen moved that H. F. No. 749 and the Conference Committee Report thereon be laid on the table and the Conference Committee Report be printed in the Journal. The motion prevailed.

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 749

A bill for an act relating to controlled substances; providing medical and educational intervention, evaluation, and treatment of persons in possession of small amounts of marijuana; providing penalties for possession of small amounts of marijuana; and prohibiting municipalities from enacting ordinances imposing greater civil or criminal penalties than provided by state law for the possession, sale or distribution of small amounts of marijuana; amending Min-

nesota Statutes 1974, Section 152.15, Subdivision 2, and by adding a subdivision.

May 15, 1975

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 749 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. 749 be amended as follows:

Page 2, delete lines 12 to 30 and insert

“(5) A small amount of marijuana is guilty of a *petty misdemeanor punishable by a fine of up to \$100 and participation in a drug education program unless the court enters a written finding that such a program is inappropriate, said program being approved by an area mental health board with a curriculum approved by the state alcohol and drug abuse authority*. A subsequent violation of this clause within ~~one year~~ *two years* is a misdemeanor, and a person so convicted ~~may~~ *shall* be required to participate in a ~~medical~~ *chemical dependency evaluation and treatment if so indicated by the evaluation. Upon a first conviction under this section the courts shall forward a report of said conviction to the department of public safety which shall make and maintain a private, non-public, record for a period not to exceed two years from the date of conviction. The private, nonpublic record shall be solely for use by the courts in determining the penalties which attach upon conviction under this section.*”

Page 3, line 13, delete “*first or second offense*” and insert “*petty misdemeanor*”

Page 3, line 18, delete “*first or second*”

Page 4, lines 4 and 5, delete “*the day*” and insert “*one month*”

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Franklin J. Knoll, Donald M. Moe, A. J. Eckstein, Ray W. Faricy, Rodney N. Searle.

Senate Conferees: (Signed) Robert J. Tennessen, John L. Olson, Robert D. North, Mel Frederick

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1199, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1199: A bill for an act relating to treatment for alcohol and drug abuse; providing for programs of intervention and

treatment for employees and underserved groups; appropriating money; amending Minnesota Statutes 1974, Section 254A.02, by adding subdivisions; and Chapter 254A, by adding sections.

House File No. 1199 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted May 19, 1975

Mr. Moe moved that H. F. No. 1199 and the Conference Committee Report be returned to the House of Representatives, that the Conference Committee be discharged, and that a new Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like new Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1137, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1137: A bill for an act relating to housing; increasing range of eligibility for assistance from housing finance agency; providing for revolving loan funds and direct subsidies; appropriating money; amending Minnesota Statutes 1974, Sections 462A.-03, Subdivision 13; 462A.05, Subdivisions 2 and 14; 462A.07, by adding a subdivision; 462A.19, Subdivision 1; 462A.21, by adding subdivisions; and 462A.22, Subdivision 9.

House File No. 1137 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted May 19, 1975

Mr. Humphrey moved that H. F. No. 1137 and the Conference Committee Report be returned to the House of Representatives, that the Conference Committee be discharged, and that a new Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like new Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 22: A bill for an act relating to education; the establishment of educational cooperative service units to provide edu-

ational services and programs on a regional basis; appropriating money therefor.

Senate File No. 22 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 19, 1975

Mr. Hughes moved that the Senate do not concur in the amendments by the House to S. F. No. 22 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 919: A bill for an act relating to the environment; directing creation of an environmental permits coordination unit within the environmental quality council; authorizing an optional consolidated application and hearing procedure for certain permits; directing establishment of permit information centers; appropriating money.

Senate File No. 919 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 19, 1975

Mr. Moe moved that the Senate do not concur in the amendments by the House to S. F. No. 919 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 869: A bill for an act relating to St. Louis county; providing for the disposition of the proceeds from the sale or rental of tax forfeited lands or from the sale of any products therefrom.

Senate File No. 869 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 19, 1975

Mr. Coleman moved that S. F. No. 869 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED, by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1206: A bill for an act relating to state parks; exempting senior citizens from payment of certain fees; amending Minnesota Statutes 1974, Section 85.05, Subdivision 1.

Senate File No. 1206 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 19, 1975

Mr. Doty moved that the Senate do not concur in the amendments by the House to S. F. No. 1206 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 570: A bill for an act relating to taxation; increasing the income tax deduction for dependents' school expenses; amending Minnesota Statutes 1974, Section 290.09, Subdivision 22.

Senate File No. 570 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 19, 1975

Mr. O'Neill moved that the Senate do not concur in the amendments by the House to S. F. No. 570 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 256: A bill for an act relating to education; establish-

ing a program of tuition supplements and equivalency credits for the Minnesota national guard; appropriating money.

Referred to the Committee on Education.

H. F. No. 341: A bill for an act relating to teachers; providing for an executive director of the professional teaching practices commission; budget of professional teaching practices commission; appropriating money; amending Minnesota Statutes 1974, Sections 125.184, Subdivision 2; and 125.185, Subdivisions 4 and 6; repealing Minnesota Statutes 1974, Section 125.185, Subdivision 8.

Referred to the Committee on Governmental Operations.

H. F. No. 603: A bill for an act relating to education; Minnesota higher education coordinating commission; providing grants-in-aid for part time students.

Referred to the Committee on Education.

#### REPORTS OF COMMITTEES

Mr. Coleman from the Committee on Rules and Administration, makes the following report: Amend the Permanent Rules of the Senate as follows:

Strike all of Rule 62 and insert:

"62. The Senate shall employ for the 1976 session of the 69th Legislature, the following:

NUMBER OF POSITIONS	POSITION	SALARY PER DAY
2	Administrative Assistant I	\$53.10
1	Administrative Assistant II	\$60.27
1	Assistant Captain of Pages	\$24.00
1	Assistant Executive Secretary	\$35.48
2	Assistant Public Information Officer	1 @ \$30.14
		1 @ \$35.62
10	Assistant Senate Counsel	2 @ \$41.10
		1 @ \$46.58
		3 @ \$50.68
		1 @ \$52.16
		1 @ \$55.75
		1 @ \$62.55
		1 @ \$71.92
2	Assistant Sergeant at Arms	\$29.15
1	Captain of Pages	\$26.12
1	Chaplain (Several to serve during Session)	\$25.00
1	Chief Committee Secretary	\$42.27
1	Chief Indexer	\$39.73
10	Clerk I	5 @ \$24.43
		5 @ \$25.89

NUMBER OF POSITIONS	POSITION	SALARY PER DAY
13	Clerk Typist I	5 @ \$25.54
8	Clerk Typist II	8 @ \$27.07
		5 @ \$26.65
		3 @ \$28.25
12	Committee Administrative Assistant	7 @ \$40.30
		4 @ \$41.55
		1 @ \$42.47
12	Committee Clerk I	5 @ \$25.54
		7 @ \$27.07
3	Committee Clerk II	2 @ \$27.76
		1 @ \$29.42
1	Committee Clerk III	\$31.73
13	Committee Secretary	2 @ \$33.23
		11 @ \$35.20
1	Engrossing Clerk	\$29.42
1	Engrossing Secretary	\$40.56
1	Enrolling Clerk	\$28.25
2	Executive Secretary	\$42.27
1	First Assistant Secretary of the Senate	\$77.28
1	Fiscal Services Aide	\$33.47
1	Fiscal Services Supervisor	\$41.55
1	Fourth Assistant Secretary of the Senate	\$38.09
1	Indexer I	\$27.76
2	Indexer II	\$32.89
4	Legislative Assistant I	2 @ \$32.19
		1 @ \$35.20
		1 @ \$37.95
3	Legislative Assistant II	2 @ \$41.55
		1 @ \$45.21
4	Legislative Clerk I	\$25.54
7	Legislative Clerk II	3 @ \$25.94
		3 @ \$28.25
		1 @ \$29.32
3	Legislative Clerk III	\$29.42
1	Legislative Fiscal Analyst I	\$60.63
2	Legislative Fiscal Analyst II	\$68.22
2	Legislative Fiscal Analyst III	1 @ \$77.56
		1 @ \$81.79
1	Machine Operator	\$27.95
1	Minority Secretary of the Senate	\$68.78
25	Page	15 @ \$20.00
		10 @ \$22.00
1	Personnel Officer	\$55.19
1	Public Information Officer	\$41.55
4	Researcher I	1 @ \$35.20
		1 @ \$37.95
		2 @ \$40.24

NUMBER OF POSITIONS	POSITION	SALARY PER DAY
5	Researcher II	2 @ \$40.83 2 @ \$44.12 1 @ \$45.21
2	Researcher III	1 @ \$51.50 1 @ \$57.53
1	Second Assistant Secretary of the Senate	\$46.69
20	Secretary	3 @ \$31.06 17 @ \$32.89
1	Secretary to Majority Leader	\$42.27
1	Secretary to Minority Leader	\$39.73
1	Secretary of the Senate	\$90.00
1	Senate Counsel	\$74.74
11	Senate Researcher	2 @ \$36.35 2 @ \$42.26 2 @ \$45.21 2 @ \$46.61 1 @ \$47.95 2 @ \$62.55
1	Senate Research Director	\$76.15
15	Sergeant	4 @ \$20.00 11 @ \$22.00
1	Sergeant at Arms	
22	Stenographer I	15 @ \$26.65 7 @ \$28.25
22	Stenographer II	3 @ \$28.87 19 @ \$30.58
1	Third Assistant Secretary of the Senate	\$41.83

Reports the same back with the recommendation that the permanent rules be so amended.

Mr. Coleman moved the adoption of the committee report. The motion prevailed. Report adopted.

#### MOTIONS AND RESOLUTIONS

Mr. Coleman moved that Rule 62 of the Permanent Rules of the Senate be amended in accordance with the foregoing report of the Committee on Rules and Administration.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Blatz	Coleman	Frederick	Humphrey
Arnold	Borden	Conzemius	Gearty	Jensen
Ashbach	Brataas	Davies	Hansen, Baldy	Keefe, J.
Bang	Brown	Doty	Hansen, Mel	Keefe, S.
Berg	Chenoweth	Dunn	Hanson, R.	Kleinbaum
Bernhagen	Chmielewski	Fitzsimons	Hughes	Knutson

Kowalczyk	Nelson	Olson, J. L.	Schaaf	Stassen
Larson	North	O'Neill	Schmitz	Stokowski
Lewis	Ogdahl	Patton	Schrom	Stumpf
Merriam	Olhoft	Pillsbury	Sillers	Ueland
Milton	Olson, A. G.	Purfeerst	Solon	Wegener
Moe	Olson, H. D.	Renneke	Spear	Willet

The motion prevailed. So the rule was amended.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman introduced—

##### SENATE RESOLUTION NO. 26:

BE IT RESOLVED, by the Senate, that the following named persons be and they hereby are appointed for the Session to the respective positions hereinafter stated and at the salaries of the respective positions heretofore established:

POSITION	NAME
Administrative Assistant I	Duane J. Gratz
Administrative Assistant II	John Kaul
Assistant Captain of Pages	Lee Preston
Assistant Executive Secretary	Natalie Kray
Assistant Public Information Officer	Charles Geer Robert Pokorney
Assistant Senate Counsel	Louis Claeson Thomas Deans James Dinerstein John Ellefson Diane Heins Gary Johnson John Lennes Thomas Triplett Alan Williams
Captain of Pages	Mary Aldrich
Chief Committee Secretary	Josephine Dario
Chief Indexer	Ardis Schulz
Clerk I	Daniel Bush Dennis Dwyer Ernst Ferrozzo Sandra Greeley
Clerk Typist I	Joyce Anderson Helen Donahue Lucie Gebhardt Teresa Gran Susan Hartfiel Cynthia Mooney Nancy Van Hoven

**Clerk Typist II**

Karen Clark  
Kathleen Franey  
Raymond Joachim, Jr.  
Lois Klein  
Isabel Levinson  
Sheila Meyer  
Ann-Louise Taylor  
Gale Waldron

**Committee Administrative Assistant**

Mark Andrew  
Michael Ahern  
Susan Chianelli  
William Conley  
Rosemary Goff  
Kelvin Johnson  
Patrick Kelly  
Janet Lund  
Adelaide O'Brien  
Linda Schutz  
Dale Ulrich

**Committee Clerk I**

Joan Godeke  
Janet Kampf  
Nelsene Karns  
Cynthia Kitlinski  
Julianne Lapore  
Gene Nelson  
Brian Peterson  
Mary Radaich  
Margaret Smith  
Mary Lyn Uhl  
Kathleen Wigg

**Committee Clerk II****Committee Clerk III****Committee Secretary**

Bettye Bates  
Connie Dabelow  
Peggy Kormendy  
Helen Lyons  
Phyllis Meryhew  
Mary Mogush  
Dagny Swanson  
LaVerne Swanson  
Mary Turk  
Ardella Tischler  
Ardith Vos

**Executive Secretary**

Dorothy Abell  
Sandra Read

**Fiscal Services Aide**

Deborah Getter

**Fiscal Services Supervisor**

Joyce Kleinschmidt

**Fourth Assistant Secretary  
of the Senate**

James Greenwalt

Indexer I	
Indexer II	Marcia Greenfield Catherine Morrison
Legislative Assistant I	Denise Anderson R. Earl Franz Patricia Passman Kathleen Stypula
Legislative Assistant II	Diane Hendrickson M. Lucy Johnson
Legislative Clerk I	Susan Applebaum
Legislative Clerk II	Vicki Block Jerome Earley Charles Fastner Allen Finnegan LaVonne Gangl Mary Ann Hecht
Legislative Clerk III	Mary S. Lee Patrice Urman
Legislative Fiscal Analyst I	David Giel
Legislative Fiscal Analyst II	David Johnson
Legislative Fiscal Analyst III	Earl Evenson Harold Miller
Machine Operator	Barry Alverman
Minority Secretary of the Senate	George G. Goodwin
Page	Colleen Barry Grace Castano Theresa Cooper Douglas Dahl Mara Dworak Lynn Elrod Karen Finseth Carol Gorghuber Jeffrey Hanson David Hoiland Keith Krueger Bradley Lundell George Meinz Tom Myers Marcia Nelson Ann Nevin Carlene Norton Mary Rengel Pamela Selbitschka Richard Simon David Vail Charles Wallace Debra Wermerskirchen Julie Wolinski

Personnel Officer	Eugene Daly
Public Information Officer	James Pirius
Researcher I	Kathy Gagne Susan Haigh Steven Lindgren Robert Renner, Jr.
Researcher II	Robert Ambrose Gary Bastian Joseph Beaton Frank Fly David Karpinski
Researcher III	Ronnie Brooks John Meusey
Secretary	Ruby Abelson Joyce Bukosky Mary Catlin Marlys Chamberlain Geraldine Dalbey Eleanor Dierckins Genevieve Donch Barbara Glick Martha Gordon Lorraine Hartman Stella Hough Laura Lindorfer Mabel Loomis Nancy Mathisrud Garlyn O'Leary Fern Oveson Ruth Peterson Sandra Wendt
Secretary to the Majority Leader	Shirley Cardwell
Secretary to the Minority Leader	Romayne Houle
Senate Counsel	Peter Wattson
Senate Researcher	Roger Bergerson Gary Botzek Peter Kiedrowski Stephen Korstad Joyce Krupey Robert Lacy Jerome Miranowski Richard Sevrá
Senate Research Director	William Riemerman
Sergeant	Jerome Coughlin James Darrell Paul Destasio Ralph Graham Otto Haase

Mary Kennedy  
 William Larson  
 Alois Mareck  
 Daniel Orsello  
 Mary Russell  
 John Stieger  
 Judith Walk

## Stenographer I

Beatrice Banet  
 Nancy Dahl  
 Virginia Engelhard  
 Joanne Garcia  
 Violet Geer  
 Lois Hays  
 Donna Larsen  
 Beverly Marx  
 Patti Maetzold  
 Marcia Melgaard  
 Janice Noruk  
 Patricia Parker  
 Lora Pedersen  
 Gloria Stokes  
 Mary Wagner

## Stenographer II

JoAnne Blockey  
 Doris Bronkar  
 Sandra Brown  
 Lois DeLong  
 Sally Finney  
 Ellen LaValla  
 Margaret McShea  
 Rhoda Parker  
 Rita Ruhnke  
 Bernice Schneider  
 Delores Schuna  
 Anne Steffel  
 Joanne Stassen  
 Judith Swanholm  
 Cara Torseth  
 Shirley Traxler  
 Joyce Van Guilder  
 Marion Vogel  
 Debi Unger

Third Assistant Secretary  
 of the Senate

Paul Johnson

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Coleman introduced—

**SENATE CONCURRENT RESOLUTION NO. 9**

A Senate resolution relating to joint rules; providing deadlines for committee reports; amending Joint Rule 20.

BE IT RESOLVED, by the Senate of the State of Minnesota, the House of Representatives concurring therein:

Joint Rule 20 is amended to read:

### DEADLINES

Rule 20. Except for reports from the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes, committee reports on bills favorably acted upon by the committee in the house of origin after April 19, 1975, for the first year of the biennium, and committee reports on bills originating in the other house favorably acted upon by the committee after May 7, 1975, for the first year of the biennium, shall be referred in the Senate to the Committee on Rules and Administration, and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition.

*Except for reports from the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes, committee reports on bills favorably acted upon by the committee in the house of origin after March 9, 1976, for the second year of the biennium, and committee reports on bills originating in the other house favorably acted upon by the committee after March 16, 1976, for the second year of the biennium, shall be referred in the Senate to the Committee on Rules and Administration, and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition.*

Mr. Coleman moved the adoption of the foregoing resolution.

The motion prevailed. So the resolution was adopted.

Mr. Coleman introduced—

#### SENATE RESOLUTION NO. 27

A Senate Resolution providing for payment of postage for members of the Senate, 1976 Session of the 69th Legislature.

BE IT RESOLVED, that the Secretary of the Senate be authorized to purchase postage to furnish each member of the Senate 2,000 stamps, and that each member named as chairman of a standing committee in the Senate resolution designating committee assignments, be furnished with an additional 1,000 stamps for the necessary business of such committee; and

BE IT FURTHER RESOLVED, that an additional postage allowance of 1,000 stamps be authorized for the Minority Leader of the Minnesota State Senate, 1976 session, Mr. Ashbach, and for the Assistant Majority Whip, 1976 session, Mr. Borden.

BE IT FURTHER RESOLVED, that each member of the Senate shall receipt to the Secretary of the Senate for postage so received.

The question being taken on the adoption of the resolution,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Olson, A. G.	Stassen
Arnold	Doty	Kleinbaum	Olson, H. D.	Stokowski
Ashbach	Dunn	Knutson	Olson, J. L.	Stumpf
Bang	Fitzsimons	Kowalczyk	O'Neill	Tennessee
Berg	Frederick	Larson	Patton	Ueland
Bernhagen	Gearty	Lewis	Pillsbury	Wegener
Blatz	Hansen, Baldy	McCutcheon	Purfeerst	Willet
Borden	Hansen, Mel	Merriam	Renneke	
Brataas	Hanson, R.	Milton	Schaaf	
Brown	Hughes	Moe	Schmitz	
Chenoweth	Humphrey	Nelson	Schrom	
Chmielewski	Jensen	North	Sillers	
Coleman	Josefson	Ogdahl	Solon	
Conzemius	Keefe, J.	Olhoff	Spear	

The motion prevailed. So the resolution was adopted.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Arnold moved that H. F. No. 525 be withdrawn from the Committee on Finance and re-referred to the Committee on Governmental Operations. The motion prevailed.

Mr. Olson, H. D. moved that the Conference Committee on S. F. No. 1308 be discharged and that a new Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like new Conference Committee appointed on the part of the House. The motion prevailed.

Mr. Purfeerst moved that H. F. No. 1741 and the Conference Committee Report be returned to the Conference Committee as formerly constituted for further consideration. The motion prevailed.

#### RECESS

Mr. Ashbach moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, January 29, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**FIFTY-NINTH DAY****St. Paul, Minnesota, Wednesday, January 28, 1976**

**The House of Representatives met on Wednesday, January 28, 1976, which was the Fifty-Ninth Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.**

## SIXTIETH DAY

St. Paul, Minnesota, Thursday, January 29, 1976

The Senate met at 10:00 o'clock a.m., and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Arnold	Dunn	Keefe, S.	Olson, A. G.	Spear
Bang	Frederick	Kirchner	Olson, H. D.	Stokowski
Berg	Gearty	Kleinbaum	Olson, J. L.	Stumpf
Bernhagen	Hansen, Baldy	Knutson	Patton	Tennessee
Blatz	Hansen, Mel	Kowalczyk	Purfeerst	Ueland
Chenoweth	Hanson, R.	Larson	Renneke	Wegener
Coleman	Hughes	Lewis	Schaaf	Willet
Conzemius	Humphrey	McCutcheon	Schmitz	
Davies	Jensen	Moe	Sillers	
Doty	Josefson	Olhoft	Solon	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Dave S. Schneider.

The roll being called, the following Senators answered to their names:

Anderson	Conzemius	Keefe, J.	North	Solon
Arnold	Davies	Keefe, S.	Ogdahl	Spear
Ashbach	Doty	Kirchner	Olhoft	Stassen
Bang	Dunn	Kleinbaum	Olson, A. G.	Stokowski
Berg	Frederick	Knutson	Olson, H. D.	Stumpf
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Tennessee
Blatz	Hansen, Baldy	Larson	Patton	Ueland
Borden	Hansen, Mel	Laufenburger	Purfeerst	Wegener
Brataas	Hanson, R.	Lewis	Renneke	Willet
Brown	Hughes	McCutcheon	Schaaf	
Chenoweth	Humphrey	Merriam	Schmitz	
Chmielewski	Jensen	Moe	Schrom	
Coleman	Josefson	Neison	Sillers	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Fitzsimons; Milton; O'Neill; Perpich, A. J.; Perpich, G. and Pillsbury were excused from the Session of today.

**JOURNAL CORRECTION**

The record of the vote on repassage of H. F. No. 1743, as amended by the Conference Committee, appearing on page 2972 of the 1975 permanent Senate Journal was incorrectly printed. The correct vote was as follows:

There were yeas 59 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Olhoff	Schrom
Arnold	Dunn	Kirchner	Olson, A. G.	Sillers
Ashbach	Fitzsimons	Kleinbaum	Olson, H. D.	Solon
Bang	Frederick	Knutson	Olson, J. L.	Spear
Berg	Gearty	Kowalczyk	O'Neill	Stassen
Blatz	Hansen, Baldy	Larson	Patton	Stokowski
Borden	Hanson, R.	Laufenburger	Perpich, A. J.	Stumpf
Brataas	Hughes	McCutcheon	Pillsbury	Tennessee
Chenoweth	Humphrey	Merriam	Purfeerst	Ueland
Chmielewski	Jensen	Moe	Renneke	Wegener
Coleman	Josefson	Nelson	Schaaf	Willet
Conzemius	Keefe, J.	Ogdahl	Schmitz	

Those who voted in the negative were:

Bernhagen	Hansen, Mel	Milton	Perpich, G.
Brown	Lewis	North	

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

July 9, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Robert B. McCarthy, 2356 Swan Drive, St. Paul, Ramsey County, has been appointed by me as Workmen's Compensation Commissioner, effective July 9, 1975, for a term expiring September 1, 1977.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Labor and Commerce.

July 9, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Ruth Myers, 635 Everett Street, Duluth, St. Louis County, has

been appointed by me to the State Board of Education, effective July 1, 1975, for a term expiring July 1, 1981.

Henry Bromelkamp, 2304 Lenwood Drive S.W., Rochester, Olmsted County, has been appointed by me to the State Board of Education, effective July 1, 1975, for a term expiring July 1, 1981.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Education.

July 18, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Jane Belau, 433 - 9th Avenue S.W., Rochester, Olmsted County, has been appointed by me to the Cable Communications Board, effective July 18, 1975, for a term expiring January 1, 1978.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Labor and Commerce.

July 18, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

James Johnson, 2225 Irving Avenue South, Minneapolis, Hennepin County, has been appointed by me to the Minnesota State Housing Finance Agency, effective July 18, 1975, for a term expiring January 1, 1978.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

July 19, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Harvey A. Stegemoeller, 1779 Summit Avenue, St. Paul, Ram-

sey County, has been appointed by me to the Commission on Judicial Standards, effective July 19, 1975, for a term expiring July 19, 1979.

Mrs. Ruby Hunt, 1148 Edgecumbe Road, St. Paul, Ramsey County, has been appointed by me to the Commission on Judicial Standards, effective July 19, 1975, for a term expiring July 19, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Judiciary.

July 28, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Mrs. Paul Nycklemoe, Route 1, Minnehuta Drive, Fergus Falls, Otter Tail County, has been appointed by me to the State Board for Community Colleges, effective July 1, 1975, for a term expiring July 1, 1982.

Dr. Joseph Norquist, 2087 Greenbrier Avenue, St. Paul, Ramsey County, has been appointed by me to the State Board for Community Colleges, effective July 28, 1975, for a term expiring July 1, 1982.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Education.

August 12, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

John Larson, 2836 - 44th Avenue South, Minneapolis, Hennepin County, has been appointed by me as Commissioner of the Division of Securities, Department of Commerce, effective June 2, 1975, for a term expiring January 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Labor and Commerce.

September 30, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Robert Freson, Room 214, City Hall, Rochester, Olmsted County, has been appointed by me to the Higher Education Facilities Authority, effective September 26, 1975, for a term expiring January 1, 1981.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Education.

October 6, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Robert Engels, 1921 Humboldt Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Zoological Board, effective January 11, 1975, for a term expiring January 1, 1981.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

October 9, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Gary Pagel, 398 Rehnberg Place, West St. Paul, Dakota County, has been appointed by me to the Metropolitan Council, effective October 9, 1975, for a term expiring January 1, 1979.

George Dahlvang, 4535 Washburn Avenue North, Minneapolis, Hennepin County, has been appointed by me to the Metropolitan Council, effective October 9, 1975, for a term expiring January 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Metropolitan and Urban Affairs.

November 14, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Kenneth Sovereign, 4415 Olson Lake Trail North, North St. Paul, Ramsey County, has been appointed by me to the Occupational Safety and Health Review Board, effective August 29, 1975, for a term expiring August 29, 1981.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Labor and Commerce.

November 25, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Robert J. Huston, 3012 North 14th Street, St. Cloud, Stearns County, has been appointed by me to the Higher Education Facilities Authority, effective November 25, 1975, for a term expiring January 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Education.

December 1, 1975

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Lee Vann, 3430 List Place, Minneapolis, Hennepin County, has been appointed by me as Commissioner of the Department of Economic Development, effective December 1, 1975, for a term expiring January 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Labor and Commerce.

January 2, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

William Watters, 330 East Faribault, Duluth, St. Louis County, has been appointed by me to the State Personnel Board, effective January 1, 1976, for a term expiring January 1, 1979.

Marcella Page, 1847 Woodcrest Drive, St. Paul, Ramsey County, has been appointed by me to the State Personnel Board, effective January 1, 1976, for a term expiring January 1, 1979.

William B. Flaherty, Sr., 3208 Rankin Road, Minneapolis, Hennepin County, has been appointed by me to the State Personnel Board, effective January 1, 1976, for a term expiring January 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

January 2, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Herbert G. Lancaster, 5345 Hodgson Road, St. Paul, Ramsey County, has been appointed by me to the Gillette Hospital Authority, effective January 1, 1976, for a term expiring December 31, 1978.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Health, Welfare and Corrections.

January 5, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Mrs. Dorothy Skwieria, 2301 N.E. 3rd Street, Minneapolis,

Hennepin County, has been appointed by me to the Corrections Board, effective January 1, 1976, for a term expiring January 1, 1982.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Health, Welfare and Corrections.

January 5, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Reverend Lawrence Gavin, St. Edward's Church, 2000 West Oakland Avenue, Austin, Mower County, has been appointed by me to the Minnesota State Housing Finance Agency, effective January 1, 1976, for a term expiring January 1, 1980.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

January 8, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Eugene Abbott, 940 Albert, Crookston, Polk County, has been appointed by me to the Cable Communications Board, effective January 1, 1976, for a term expiring January 1, 1980.

Virginia Greenman, 148 Prospect Boulevard, St. Paul, Ramsey County, has been appointed by me to the Cable Communications Board, effective January 1, 1976, for a term expiring January 1, 1980.

Carl Williams, 320 East 44th Street, Minneapolis, Hennepin County, has been appointed by me to the Cable Communications Board, effective January 7, 1976, for a term expiring January 1, 1978.

Arnold W. Aberman, 8900 Minnehaha Circle, St. Louis Park, Hennepin County, has been appointed by me to the Cable Communications Board, effective January 6, 1976, for a term expiring January 1, 1978.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Labor and Commerce.

January 13, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Finette Magnuson, 2141 Doswell Avenue, St. Paul, Ramsey County, has been appointed by me to the State Board of Human Rights, effective January 12, 1976, for a term expiring January 1, 1978.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

January 14, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Katherine Sasseville, 10619 James Road, Bloomington, Hennepin County, has been appointed by me to the Public Service Commission, effective December 31, 1975, for a term expiring December 31, 1980.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Labor and Commerce.

January 16, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Michael Keable, 909 North 6th Avenue, St. Cloud, Stearns County, has been appointed by me to the State Board of Health, effective January 1, 1976, for a term expiring January 1, 1980.

Burton D. Magnuson, 4120 Dodge, Duluth, St. Louis County, has been appointed by me to the State Board of Health, effective January 1, 1976, for a term expiring January 1, 1980.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Health, Welfare and Corrections.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Mr. Fitzsimons introduced—

S. F. No. 1811: A bill for an act relating to state lands; conveyance; authorizing the conveyance by the state of certain lands in the county of Kittson.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Fitzsimons introduced—

S. F. No. 1812: A bill for an act relating to the county of Lake of the Woods; authorizing the county to acquire real estate for and establish and operate a television translator system either within or without the county.

Referred to the Committee on Local Government.

Mr. Fitzsimons introduced—

S. F. No. 1813: A bill for an act authorizing the conveyance by the state of certain lands located in Roseau county.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Olson, J. L. introduced—

S. F. No. 1814: A bill for an act relating to the city of Worthington; volunteer firemen's service pensions.

Referred to the Committee on Governmental Operations.

Messrs. Chmielewski and Anderson introduced—

S. F. No. 1815: A bill for an act relating to worker's compensation; requiring an employer to furnish certain residential remodeling to an employee confined to a wheelchair as a result of an injury; amending Minnesota Statutes 1974, Section 176.135, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Fitzsimons and Moe introduced—

S. F. No. 1816: A bill for an act relating to game and fish; authorizing a season on fishers and additional moose seasons; amending Minnesota Statutes 1974, Section 100.27, Subdivisions 1, 2, as amended, and 4.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Borden introduced—

S. F. No. 1817: A bill for an act relating to health care; requir-

ing that certain insurance contracts and subscriber contracts provide benefits for certain services performed by podiatrists; amending Minnesota Statutes 1974, Section 62A.043.

Referred to the Committee on Labor and Commerce.

Messrs. Humphrey and Borden introduced—

S. F. No. 1818: A bill for an act relating to elections; requiring that polling places be accessible to handicapped voters; amending Minnesota Statutes, 1975 Supplement, Section 204A.11, Subdivision 4.

Referred to the Committee on Transportation and General Legislation.

Messrs. Humphrey and Borden introduced—

S. F. No. 1819: A bill for an act relating to appropriations; providing funding for the continued operation of detached worker programs for assistance to young people.

Referred to the Committee on Labor and Commerce.

Mr. Fitzsimons introduced—

S. F. No. 1820: A bill for an act relating to Marshall county; authorizing the establishment of a county law library to be supported by certain judicially imposed fee charges.

Referred to the Committee on Judiciary.

Messrs. McCutcheon, Ueland and North introduced—

S. F. No. 1821: A bill for an act relating to civil service; providing for the status of persons holding positions changed to the unclassified service; amending Minnesota Statutes, 1975 Supplement, Section 43.09, Subdivision 2a.

Referred to the Committee on Governmental Operations.

Messrs. Doty, Stokowski and Solon introduced—

S. F. No. 1822: A bill for an act relating to governmental operations; creating an interstate commission to develop a plan to merge the port authorities at Duluth, Minnesota, and Superior, Wisconsin; appropriating money.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Doty and Solon introduced—

S. F. No. 1823: A bill for an act relating to retirement; including employees of the United Day Activity Center of Duluth, Incorporated in membership in the public employees retirement associa-

tion; amending Minnesota Statutes 1974, Chapter 353, by adding a section.

Referred to the Committee on Governmental Operations.

Mr. McCutcheon introduced—

S. F. No. 1824: A bill for an act relating to building contractors; providing for a state bond to replace local requirements; amending Minnesota Statutes 1974, Chapter 16, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. McCutcheon and Wegener introduced—

S. F. No. 1825: A bill for an act relating to crimes; prohibiting altering or removing a manufacturer's identification mark on personal property; providing penalties; amending Minnesota Statutes, 1975 Supplement, Section 609.52, Subdivision 2; repealing Minnesota Statutes 1974, Section 609.655.

Referred to the Committee on Judiciary.

Messrs. Keefe, J.; Hanson, R. and Kowalczyk introduced—

S. F. No. 1826: A bill for an act relating to motor vehicles; providing for licensing and taxation of recreational vehicles; amending Minnesota Statutes 1971, Section 168.013, Subdivision 1g, as amended.

Referred to the Committee on Transportation and General Legislation.

Mr. Pillsbury introduced—

S. F. No. 1827: A bill for an act relating to the city of Mound; firemen's service pensions; amending Laws 1973, Chapter 175, Section 1, as amended.

Referred to the Committee on Governmental Operations.

Mr. Pillsbury introduced—

S. F. No. 1828: A bill for an act relating to the city of Wayzata; volunteer firemen's service pensions; amending Laws 1973, Chapter 472, Section 1.

Referred to the Committee on Governmental Operations.

Messrs. Davies, O'Neill and Borden introduced—

S. F. No. 1829: A bill for an act relating to state government agencies and officials; requiring rules, findings of facts, written opinions, and open precedents in certain circumstances; expanding judicial review of actions of agencies and officials.

Referred to the Committee on Judiciary.

Mr. Patton introduced—

S. F. No. 1830: A bill for an act relating to the city of Waseca; authorizing lump sum firemen's service pensions.

Referred to the Committee on Governmental Operations.

Mr. Spear introduced—

S. F. No. 1831: A bill for an act relating to state government; requiring copies of all state documents be deposited with the department of administration, copied and made available to the public.

Referred to the Committee on Governmental Operations.

Mr. Spear introduced—

S. F. No. 1832: A bill for an act creating a legislative commission to study the Minnesota state documents depository system; appropriating money therefor.

Referred to the Committee on Governmental Operations.

Mr. Davies introduced—

S. F. No. 1833: A bill for an act relating to legislation; providing that selected statutes shall be subject to judicial modification as is common law; amending Minnesota Statutes 1974, Chapter 645, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Davies, O'Neill and Borden introduced—

S. F. No. 1834: A bill for an act relating to the secretary of state; providing for the distribution of the legislative manual; amending Minnesota Statutes, 1975 Supplement, Section 5.08, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Spear; Keefe, S. and Stokowski introduced—

S. F. No. 1835: A bill for an act relating to taxation; defining "claimant" for purposes of certain homestead credits; amending Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 8.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, J.; Gearty and O'Neill introduced—

S. F. No. 1836: A bill for an act relating to real property; service of notice upon record title owners in tax sales and mort-

gage foreclosures; amending Minnesota Statutes 1974, Sections 281.23, Subdivision 5; and 580.03.

Referred to the Committee on Judiciary.

Messrs. North, Stassen and Schmitz introduced—

S. F. No. 1837: A bill for an act relating to state government; executive orders of the governor; effective and expiration dates and orders setting up task forces; amending Minnesota Statutes 1974, Section 15.051, Subdivision 3; and Minnesota Statutes, 1975 Supplement, Section 15.051, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Davies, Sillers and Coleman introduced—

S. F. No. 1838: A bill for an act relating to crimes; accusation; increasing the limitation on time in which an indictment for offering of bribes to or acceptance of bribes by public officers or employees may be found; amending Minnesota Statutes 1974, Section 628.26.

Referred to the Committee on Judiciary.

Messrs. Davies, Doty and Knutson introduced—

S. F. No. 1839: A bill for an act relating to judgments; providing for enforcement of foreign judgments in courts of this state.

Referred to the Committee on Judiciary.

Messrs. Anderson, Sillers and Hughes introduced—

S. F. No. 1840: A bill for an act relating to the operation of government; changing the qualification for community school programs aid and for certain proceeds of the supplementary tax on taconite and iron sulphides; clarifying the provisions for certain reductions of foundation aid; sanctioning the reduction of certain levies and authorizing certain transfers of funds; amending Minnesota Statutes, 1975 Supplement, Sections 124.271, Subdivision 1; and 298.244, Subdivision 1.

Referred to the Committee on Education.

Messrs. North, Stassen and Milton introduced—

S. F. No. 1841: A bill for an act relating to state agencies; providing for an open appointment process; requiring reports from appointing authorities and the secretary of state.

Referred to the Committee on Governmental Operations.

Messrs. Patton, Purfeerst and Olson, H. D. introduced—

S. F. No. 1842: A bill for an act relating to highway traffic regulations; brakes; amending Minnesota Statutes 1974, Section 169.67, Subdivision 3.

Referred to the Committee on Transportation and General Legislation.

Messrs. Patton, Purfeerst and Olson, H. D. introduced—

S. F. No. 1843: A bill for an act relating to motor vehicles; registration and taxation of recreational vehicles; prescribing the tax on certain towed recreational vehicles and providing credits thereon for future registrations; amending Minnesota Statutes 1971, Section 168.013, Subdivision 1g, as amended.

Referred to the Committee on Transportation and General Legislation.

Messrs. O'Neill, Davies and Jensen introduced—

S. F. No. 1844: A bill for an act relating to judges; authorizing certain retired judges and their dependents to participate in the state employee hospital benefits and medical benefits program; amending Minnesota Statutes 1974, Section 43.491, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. O'Neill, Hughes and Sillers introduced—

S. F. No. 1845: A bill for an act relating to public employees; administrative expenses of salary deductions for annuity contracts; appropriating funds; repealing Minnesota Statutes, 1975 Supplement, Section 356.26.

Referred to the Committee on Governmental Operations.

Messrs. O'Neill, Gearty and Coleman introduced—

S. F. No. 1846: A bill for an act relating to taxation; providing that income adjusted homestead credit may be claimed by persons not living in units on which ad valorem taxes were paid; amending Minnesota Statutes, 1975 Supplement, Sections 290A.03, Subdivision 8; and 290A.19.

Referred to the Committee on Taxes and Tax Laws.

Messrs. O'Neill, Gearty and Keefe, J. introduced—

S. F. No. 1847: A bill for an act relating to contracts; requiring certain contracts to be in writing; amending Minnesota Statutes 1974, Chapter 513, by adding a section.

Referred to the Committee on Judiciary.

Messrs. O'Neill, Solon and Ashbach introduced—

S. F. No. 1848: A bill for an act relating to insurance; including surety bonds within the scope of the Minnesota insurance guaranty association act; amending Minnesota Statutes 1974, Sections 60C.02, Subdivisions 1 and 2; 60C.03, Subdivision 4; 60C.04; 60C.09, Subdivision 1; 60C.14, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Messrs. Schaaf, Gearty and Ogdahl introduced—

S. F. No. 1849: A bill for an act relating to the legislature; creating a legislative commission on housing and community development; prescribing its powers and duties; requiring a report and budget estimate; and appropriating money.

Referred to the Committee on Governmental Operations.

Messrs. Frederick, Stassen and Knutson introduced—

S. F. No. 1850: A bill for an act relating to highways; repealing a proposed amendment to Article XIV of the state constitution; repealing Laws 1975, Chapter 203, Sections 25 and 26.

Referred to the Committee on Transportation and General Legislation.

Messrs. Stassen, Frederick and Knutson introduced—

S. F. No. 1851: A bill for an act relating to highways; removing highway construction limitations; repealing Minnesota Statutes, 1975 Supplement, Section 161.123.

Referred to the Committee on Transportation and General Legislation.

Mr. Olson, J. L. introduced—

S. F. No. 1852: A bill for an act relating to the city of Fulda; validating election proceedings and authorizing the issuance of bonds of the city approved by the electors.

Referred to the Committee on Local Government.

Messrs. Davies, Ogdahl and Tennessen introduced—

S. F. No. 1853: A bill for an act relating to state government; providing for the maintenance of spending priorities established by state law in cases of legal challenge; appropriating money; amending Minnesota Statutes, 1975 Supplement, Section 8.14.

Referred to the Committee on Governmental Operations.

Messrs. Schmitz, Larson and Purfeerst introduced—

S. F. No. 1854: A bill for an act relating to game and fish; trespass upon private shooting preserves; providing a penalty.

Referred to the Committee on Judiciary.

Messrs. Schmitz, Renneke and Purfeerst introduced—

S. F. No. 1855: A bill for an act relating to Scott county; providing for the establishment and maintenance of a personnel system on a merit basis; providing for the selection, promotion, severance, tenure of office and compensation of Scott county employees; establishing a county personnel appeals board; authorizing the county board of Scott county to make necessary appropriations.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Milton, Purfeerst and Renneke introduced—

S. F. No. 1856: A bill for an act relating to soil classification; providing for the regulation of professional soil classifiers; establishing a board of registration for professional soil classifiers; providing penalties.

Referred to the Committee on Governmental Operations.

Messrs. Davies, Gearty and Nelson introduced—

S. F. No. 1857: A bill for an act creating a Minnesota law revision commission; prescribing its duties and functions; and appropriating funds for its operation.

Referred to the Committee on Governmental Operations.

Messrs. Ashbach, Milton and North introduced—

S. F. No. 1858: A bill for an act relating to the city of Roseville; membership of housing and redevelopment authority.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Keefe, S.; O'Neill and Solon introduced—

S. F. No. 1859: A bill for an act relating to port authorities; authorizing port authorities to apply for and exercise the powers of a foreign trade zone; amending Minnesota Statutes 1974, Section 458.192, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. McCutcheon and Schaaf introduced—

S. F. No. 1860: A bill for an act relating to crimes; requiring

persons convicted of crimes to make restitution to their victims; amending Minnesota Statutes 1974, Section 609.135, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Olson, A. G.; Fitzsimons and Keefe, S. introduced—

S. F. No. 1861: A bill for an act relating to elections; affecting the place and time of voter registration; amending Minnesota Statutes 1974, Section 201.091, Subdivision 6.

Referred to the Committee on Transportation and General Legislation.

Messrs. Davies, Doty and Knutson introduced—

S. F. No. 1862: A bill for an act relating to motor vehicles; registration and taxation; removing certain requirements for notarization; amending Minnesota Statutes, 1975 Supplement, Section 168.10, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Ashbach, Borden and Brown introduced—

S. F. No. 1863: A bill for an act relating to taxation; providing for an income tax credit for tax paid on property damaged by tornadoes; amending Minnesota Statutes 1974, Section 290.06, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Conzemius introduced—

S. F. No. 1864: A bill for an act authorizing the commissioner of administration to convey a portion of a water system at the Red Wing state training school to the city of Red Wing.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Olson, J. L.; Laufenburger and Hansen, Baldy introduced—

S. F. No. 1865: A bill for an act relating to insurance; providing a countersignature commission; amending Minnesota Statutes 1974, Section 60A.17, Subdivision 3.

Referred to the Committee on Labor and Commerce.

Messrs. Ueland and Renneke introduced—

S. F. No. 1866: A bill for an act relating to Blue Earth county; welfare board; authorizing the welfare board to maintain certain contingency funds.

Referred to the Committee on Local Government.

Mr. Schmitz introduced—

S. F. No. 1867: A bill for an act relating to the city of Chanhassen; firemen's service pensions.

Referred to the Committee on Governmental Operations.

Mr. Schmitz introduced—

S. F. No. 1868: A bill for an act relating to certain counties; requiring the filing of certain surveys with the county surveyor; amending Minnesota Statutes, 1975 Supplement, Section 389.08.

Referred to the Committee on Local Government.

Mr. Conzemius introduced—

S. F. No. 1869: A bill for an act relating to state lands; authorizing the conveyance of certain state lands in Goodhue county to the city of Red Wing.

Referred to the Committee on Natural Resources and Agriculture.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 23 and 933.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted January 28, 1976

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate on the following bill, has reconsidered the vote whereby the bill was repassed as amended by the Conference Committee, has reconsidered the vote whereby the Conference Committee report was adopted, and has returned the bill to the Conference Committee as formerly constituted:

H. F. No. 1741: A bill for an act relating to the organization and operation of state government; appropriating money for the conservation and development of the state's natural resources; providing for maintenance of the Minnesota historical society; for the horticultural society; for maintenance of the Sibley house; for maintenance of various semi-state activities; for aids to local subdivisions of government; for maintenance of the uniform laws commission; for the Port Authority of Duluth; and for other purposes.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted January 28, 1976

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1519:

H. F. No. 1519: A bill for an act relating to the city of St. Paul; providing for and authorizing issuance of general obligation bonds for capital improvement budget purposes; amending Laws 1971, Chapter 773, Section 1, as amended.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Dieterich, Faricy and Tomlinson have been appointed as such committee on the part of the House.

House File No. 1519 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted January 27, 1976

Mr. Chenoweth moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1519, and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 23: A bill for an act relating to landlords and tenants; notice of rent increase; amending Minnesota Statutes 1974, Chapter 504, by adding a section.

Referred to the Committee on Rules and Administration.

H. F. No. 933: A bill for an act relating to elections; requiring that uncontested nonpartisan offices appear at the end of the ballot; amending Laws 1975, Chapter 5, Section 55, by adding a subdivision.

Referred to the Committee on Transportation and General Legislation.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 53: A bill for an act relating to peace officer training

courses; eligibility; amending Minnesota Statutes 1974, Section 626.851, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 718: A bill for an act relating to forcible entry and unlawful detainer; amending Minnesota Statutes 1974, Section 566.06.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 719: A bill for an act relating to real estate; providing for the extent of a lien; amending Minnesota Statutes 1974, Section 514.03, Subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1145: A bill for an act relating to landlords and tenants; retaliatory evictions; amending Minnesota Statutes 1974, Section 566.03.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which were referred the following appointments, as reported in the Journal for January 27, 1976:

**EXECUTIVE DIRECTOR OF THE MINNESOTA POLLUTION  
CONTROL AGENCY**

Peter Gove

**DIRECTOR OF THE MINNESOTA ENERGY AGENCY**

John P. Millhone

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe moved that the foregoing report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 23 for proper reference, recommends that it be referred to the Committee on Judiciary.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

### SECOND READING OF SENATE BILLS

S. F. No. 53 was read the second time.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 718, 719 and 1145 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Schaaf moved that the name of Mr. Merriam be added as chief author to S. F. No. 1328.

Mr. Schmitz moved that the name of Mr. Olhoft be added as co-author to S. F. No. 1562.

Mr. Coleman moved to suspend the Rules of the Senate to allow an amendment to the Mileage Report. The motion prevailed.

Mrs. Brataas moved to amend the report of the Committee on Mileage found in the Journal for Thursday, January 30, 1975, on pages 124-125, by inserting the following:

“Brataas, Nancy . . . . . 159”

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Josefson	Moe	Schmitz
Arnold	Davies	Keefe, J.	Nelson	Schrom
Ashbach	Doty	Keefe, S.	North	Sillers
Bang	Dunn	Kirchner	Ogdahl	Solon
Bernhagen	Frederick	Kleinbaum	Olhoft	Spear
Blatz	Gearty	Knutson	Olson, A. G.	Stassen
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Stokowski
Brataas	Hansen, Mel	Larson	Olson, J. L.	Stumpf
Brown	Hanson, R.	Laufenburger	Patton	Tennessee
Chenoweth	Hughes	Lewis	Purfeerst	Ueland
Chmielewski	Humphrey	McCutcheon	Renneke	Wegener
Coleman	Jensen	Merriam	Schaaf	Willet

The motion prevailed. So the amendment was adopted.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Chmielewski moved that the name of Mr. Larson be added as co-author to S. F. No. 1815.

**APPOINTMENTS**

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

S. F. No. 919, pursuant to the request of the Senate:

Messrs. Wegener, Moe and Dunn.

S. F. No. 570, pursuant to the request of the Senate:

Messrs. O'Neill, Gearty and Dunn.

S. F. No. 22, pursuant to the request of the Senate:

Messrs. Hughes, Sillers and Anderson.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 1137, pursuant to the request of the House:

Messrs. Humphrey; Keefe, J.; Borden; Schaaf and Ogdahl.

S. F. No. 1308, pursuant to the request of the Senate:

Messrs. Olson, H. D.; Moe; Wegener; Jensen and Renneke.

S. F. No. 1206, pursuant to the request of the Senate:

Messrs. Doty, Solon and Josefson.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Ashbach introduced—

Senate Concurrent Resolution No. 10: A senate concurrent resolution relating to a citizen-legislature; limiting committee action during the interim, amending joint rules.

Referred to the Committee on Rules and Administration.

Mr. Laufenburger moved that the name of Mr. Conzemius be stricken and the name of Mr. Schaaf be added as co-author to S. F. No. 719. The motion prevailed.

Mr. Humphrey moved that the name of Mr. Ogdahl be added as second author to S. F. No. 1819. The motion prevailed.

Mr. Chenoweth moved that the report from the Committee on Metropolitan and Urban Affairs, reported February 27, 1975, pertaining to the appointment of Mr. J. Douglas Kelm to Commissioner of the Metropolitan Transit Commission be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the foregoing report be re-referred to the Committee on Metropolitan and Urban Affairs.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 34 and nays 26, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Olson, A. G.	Spear
Arnold	Doty	Laufenburger	Olson, H. D.	Stokowski
Borden	Gearty	Lewis	Purfeerst	Stumpf
Chenoweth	Hansen, Baldy	McCutcheon	Schaaf	Tennessee
Chmielewski	Hughes	Merriam	Schmitz	Wegener
Coleman	Humphrey	Moe	Schrom	Willet
Conzemius	Keefe, S.	North	Solon	

Those who voted in the negative were:

Ashbach	Brown	Josefson	Olhoff	Stassen
Bang	Dunn	Keefe, J.	Olson, J. L.	Ueland
Berg	Frederick	Knutson	Patton	
Bernhagen	Hansen, Mel	Kowalczyk	Pillsbury	
Blatz	Hanson, R.	Larson	Renneke	
Brataas	Jensen	Nelson	Sillers	

The motion prevailed. So the report was re-referred.

Mr. Coleman moved that the Senate do now adjourn until 11:45 o'clock a.m., Monday, February 2, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-FIRST DAY

St. Paul, Minnesota, Monday, February 2, 1976

The Senate met at 11:45 a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Dunn	Kirchner	Olson, A. G.	Stassen
Bang	Frederick	Kleinbaum	Olson, H. D.	Stokowski
Berg	Hansen, Baldy	Kowalczyk	Olson, J. L.	Stumpf
Blatz	Hansen, Mel	Larson	Patton	Tennessee
Brown	Hanson, R.	Lewis	Pillsbury	Ueland
Coleman	Humphrey	Moe	Schaaf	
Conzemius	Josefson	Nelson	Schmitz	
Davies	Keefe, S.	Olhoff	Solon	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Dave S. Schneider.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Kirchner	North	Schmitz
Ashbach	Doty	Kleinbaum	Olhoff	Sillers
Bang	Dunn	Knutson	Olson, A. G.	Solon
Berg	Frederick	Kowalczyk	Olson, H. D.	Spear
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Brataas	Hanson, R.	Lewis	Patton	Stumpf
Brown	Hughes	McCutcheon	Perpich, G.	Tennessee
Chenoweth	Humphrey	Merriam	Pillsbury	Ueland
Chmielewski	Josefson	Milton	Purfeerst	Wegener
Coleman	Keefe, J.	Moe	Renneke	Willet
Conzemius	Keefe, S.	Nelson	Schaaf	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Arnold; Borden; Fitzsimons; Gearty; Jensen; Ogdahl; Perpich, A. J. and Schrom were excused from the Session of today.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

January 28, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

John B. McCarthy, 972 Cherokee Avenue, West St. Paul, Dakota County, has been appointed by me to the Advisory Council on Fluctuating Enrollments, effective January 26, 1976, for a term expiring June 30, 1977.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Education.

January 28, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Robert Ferguson, 855 Cliff Road, Eagan, Dakota County, has been appointed by me to the State Zoological Board, effective January 27, 1976, for a term expiring January 1, 1981.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Messrs. Lewis, O'Neill and Hughes introduced—

S. F. No. 1870: A bill for an act relating to education; establishing a uniform definition of school age for all handicapped children; amending Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1.

Referred to the Committee on Education.

Messrs. Spear; Hansen, Mel; and Humphrey introduced—

S. F. No. 1871: A bill for an act relating to Hennepin County; establishing a housing court for Hennepin county; prescribing its powers and duties; providing for hearing and appeal of civil and criminal cases involving housing matters.

Referred to the Committee on Judiciary.

Messrs. Lewis, Nelson and Solon introduced—

S. F. No. 1872: A bill for an act relating to health; providing that persons eligible for medical assistance have free selection of a medical care vendor; amending Minnesota Statutes, 1975 Supplement, Sections 256D.03, Subdivision 3; and 261.21, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Borden introduced—

S. F. No. 1873: A bill for an act relating to Crow Wing county; authorizing the county to levy and collect a tax for road and bridge purposes on a part of an unorganized township within the county.

Referred to the Committee on Local Government.

Messrs. Tennesen, Nelson and Humphrey introduced —

S. F. No. 1874: A bill for an act relating to mortgages; legalizing certain foreclosures sales heretofore made and the records of the mortgage foreclosure proceedings.

Referred to the Committee on Judiciary.

Messrs. Lewis, Ashbach and Borden introduced—

S. F. No. 1875: A bill for an act relating to health; restricting persons who may administer anesthesia; licensing registered nurses to administer anesthesia; providing for temporary permits and extended time for compliance; amending Minnesota Statutes 1974, Section 148.171; and Chapters 145, by adding a section; and 148 by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Mr. North introduced—

S. F. No. 1876: A bill for an act relating to the operation of state government; correcting the nomenclature of or restructuring several boards and committees; limiting the use of advisory groups; standardizing the terms, compensation and removal of members of committees; abolishing or transferring the functions of several state agencies including the public relief advisory committee, the Minnesota-South Dakota boundary waters commission, the motor vehicle reciprocity commission, the Big Island veterans camp board of directors, the Minnesota Insurance guaranty association board of directors, the publications advisory board, the Indian education committee, the advisory committee for mentally retarded and cerebral palsied community for residential facilities, and the state teletypewriter advisory committee; amending Minnesota Statutes 1974, Sections 3.30, by adding a subdivision; 17.52; 17.53, Subdivision 5; 17.54, Subdivisions 2, 4 and 5; 21A.02, Sub-

division 5; 21A.03; 21A.10; 29.14, Subdivision 4; 29.15, Subdivisions 1 and 4; 30.463, Subdivision 2; 30.465; 30.466; 32B.03, Subdivision 4; 32B.04, Subdivision 5, and by adding a subdivision; 60C.03, by adding a subdivision; 60C.05; 60C.06, Subdivision 3; 60C.07; 60C.09, Subdivision 2; 60C.10; 60C.11; 60C.12; 60C.14, Subdivision 2; 60C.15; 84.01, Subdivision 5; 114.12; 116E.02, Subdivision 1; 116E.03, Subdivision 7, and by adding a subdivision; 121.83; 136A.02, Subdivision 5; 141.24; 168.187, Subdivisions 7, 8, 9, 11, 12, 15, 18, 24 and 25; 178.02, Subdivision 2; 197.15; 197.16; 252.28, Subdivision 2, and by adding a subdivision; 256.01, Subdivision 6; 326.41; 326.49; 481.01; Chapters 15, 21A, 60C and 114, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 15.012; 15.059, Subdivision 4; 84B.11, Subdivision 1; 86A.10, Subdivision 1; 115.71, Subdivision 4; 115.74, Subdivision 1; 125.183, Subdivision 1; 148.231, Subdivision 2; 149.02; 151.03; 155.05; 198.055, Subdivision 1; 326.241, Subdivision 1; 326.33, Subdivision 1; Extra Session Laws 1971, Chapter 31, Article 13, Section 1, as amended; repealing Minnesota Statutes 1974, Sections 17.60; 17.601; 21A.04; 32B.04, Subdivision 2; 72B.09; 114.01 to 114.08; 126.023; 168.187, Subdivision 6; 178.02, Subdivision 3; 197.14; 252.29; 299C.47; 362.16; Minnesota Statutes, 1975 Supplement, Section 86A.10, Subdivisions 3, 4 and 5; and Laws 1975, Chapter 380, Section 8.

Referred to the Committee on Governmental Operations.

Mr. North introduced—

S. F. No. 1877: A bill for an act relating to the operation of state government; reorganizing or abolishing various state agencies; transferring powers or duties from the Indian affairs commission, the capitol area architectural and planning commission, the livestock sanitary board, the cable communications commission, the iron range resources and rehabilitation commission, the levy limitations review board and the crime victims reparation board to other agencies; amending Minnesota Statutes 1974, Section 15.50; 35.02; 216A.05, by adding a subdivision; 238.02, Subdivision 4; 271.01, by adding a subdivision; 271.06, Subdivision 1; 271.09, Subdivision 1; 298.22, Subdivision 1, and by adding subdivisions; 299B.06, Subdivision 1; 299B.07, Subdivision 5; 299B.08, Subdivision 1; Chapters 17, 275 and 363, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 275.50, Subdivision 5; 275.52, Subdivision 4; Laws 1975, Chapter 344, Section 3, Subdivision 1; repealing Minnesota Statutes 1974, Sections 3.922, as amended; 238.04, as amended; 246.017, Subdivision 2; 275.551; 275.552; 298.22, Subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Gearty introduced—

S. F. No. 1878: A bill for an act relating to taxation; imposing a sales tax upon the fee charged for use of a coin-operated motion picture machine; providing penalties.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederick, Schrom and Josefson introduced—

S. F. No. 1879: A bill for an act relating to highways; eliminating the requirements for acoustical barriers along certain highways; repealing Minnesota Statutes, 1975 Supplement, Section 161.125.

Referred to the Committee on Transportation and General Legislation.

Mrs. Brataas and Messrs. Conzemius and Frederick introduced—

S. F. No. 1880: A bill for an act relating to health; providing that hospitals do not require additional licenses for certain day care facilities; amending Minnesota Statutes 1974, Section 245.79.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Hanson, R. introduced—

S. F. No. 1881: A bill for an act relating to the city of Wadena; increasing payments for firemen's relief association service pensions.

Referred to the Committee on Governmental Operations.

Messrs. Hanson, R.; Olhoft and Keefe, J. introduced—

S. F. No. 1882: A bill for an act relating to the historical society; prohibiting unlicensed persons from engaging in field archaeology on private lands; amending Minnesota Statutes 1974, Sections 138.31, Subdivision 3; 138.32; 138.33; and 138.36, Subdivision 2.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Hanson, R.; Olhoft and Keefe, J. introduced—

S. F. No. 1883: A bill for an act relating to taxation; real estate tax payment escrow accounts; imposition of penalties for delinquent real estate taxes on mortgagees under certain circumstances; amending Minnesota Statutes 1974, Section 279.01.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Knutson and Keefe, J. introduced—

S. F. No. 1884: A bill for an act relating to accident and health insurance; providing a conversion privilege for divorced spouses.

Referred to the Committee on Labor and Commerce.

Messrs. Knutson, Bang and Kleinbaum introduced—

S. F. No. 1885: A bill for an act relating to insurance; establishing a life underwriters' council and prescribing its duties; pro-

viding for the examination, licensing and disciplining of persons selling life insurance.

Referred to the Committee on Labor and Commerce.

Messrs. Davies, Blatz and Gearty introduced—

S. F. No. 1886: A bill for an act relating to courts; providing for the election of Hennepin county municipal judges at the uniform municipal election; amending Minnesota Statutes 1974, Section 488A.021, Subdivision 3.

Referred to the Committee on Transportation and General Legislation.

Messrs. Davies; Hansen, Mel; and Stokowski introduced—

S. F. No. 1887: A bill for an act relating to special school district No. 1 of the city of Minneapolis; providing for the election of certain members of the school board according to districts; amending Laws 1959, Chapter 462, Section 3, Subdivision 1, as amended.

Referred to the Committee on Transportation and General Legislation.

Messrs. Hughes, Brown and Purfeerst introduced—

S. F. No. 1888: A bill for an act relating to highway traffic regulations; speed limitations; providing that speed limits on streets and highways are maximum speed limits; amending Minnesota Statutes 1974, Section 169.14, Subdivisions 2, 4 and 5.

Referred to the Committee on Transportation and General Legislation.

Messrs. Humphrey, Dunn and Hughes introduced—

S. F. No. 1889: A bill for an act relating to higher education; changing eligibility standards for state scholarships and grants-in-aid; making first-time scholarships and grants-in-aid available to students beyond the first year; reordering priorities for the awarding of scholarships and grants-in-aid; amending Minnesota Statutes, 1975 Supplement, Section 136A.121, Subdivision 3.

Referred to the Committee on Education.

Messrs. Keefe, J.; Lewis and Kowalczyk introduced—

S. F. No. 1890: A bill for an act relating to special assessments for public improvements in cities and certain towns; removing the provision prohibiting the levying of special assessments against highway rights of way; amending Minnesota Statutes 1974, Section 435.19, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Nelson, McCutcheon and Mrs. Brataas introduced—

S. F. No. 1891: A bill for an act relating to public employees; administrative expenses of salary deductions for annuity contracts; appropriating funds; repealing Minnesota Statutes, 1975 Supplement, Section 356.26.

Referred to the Committee on Governmental Operations.

Mr. Purfeerst introduced—

S. F. No. 1892: A bill for an act relating to metropolitan revenue distribution; providing that the commissioner of revenue shall perform administrative functions; changing settlement dates and the method of computing the taxable valuation of certain governmental units; amending Minnesota Statutes 1974, Sections 473F.02, Subdivisions 7, 11, and 12; 473F.08, Subdivisions 2, 7 and 8; 473F.12, Subdivisions 2 and 4; and 473F.13, Subdivisions 1 and 2; repealing Minnesota Statutes 1974, Sections 473F.02, Subdivision 6; 473F.03; 473F.07, Subdivision 2; and 473F.08, Subdivision 9.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Jensen; Hansen, Baldy; and Ashbach introduced—

S. F. No. 1893: A bill for an act relating to occupational safety and health; providing that no penalty be assessed if a violation is corrected within ten days of receipt of notice of the violation; amending Minnesota Statutes, 1975 Supplement, Section 182.661, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Jensen; Hansen, Baldy; and Ashbach introduced—

S. F. No. 1894: A bill for an act relating to administrative procedure; providing for the place of hearings; amending Minnesota Statutes 1974, Section 15.0418.

Referred to the Committee on Judiciary.

Messrs. Moe; Hanson, R. and Olhoft introduced—

S. F. No. 1895: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Sillers and Moe introduced—

S. F. No. 1896: A bill for an act relating to interstate cooperation; directing a study and meetings on various subjects of

mutual concern to the states of Minnesota and North Dakota and the province of Manitoba.

Referred to the Committee on Governmental Operations.

Mr. Moe introduced—

S. F. No. 1897: A bill for an act relating to commerce; prohibiting certain listings of vacant improved real property; requiring personal identification of solicitors; providing a penalty; amending Minnesota Statutes 1974, Chapter 325, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. Moe, Dunn and Willet introduced—

S. F. No. 1898: A bill for an act relating to pollution control; authorizing the hiring of county environmental officers; providing grants-in-aid; appropriating money.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Keefe, J.; Schaaf and Mrs. Brataas introduced—

S. F. No. 1899: A bill for an act relating to inheritance tax; creating a presumption that each spouse furnished one half the consideration for jointly held property; amending Minnesota Statutes 1974, Section 291.01, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Berg; Olson, J. L. and Josefson introduced—

S. F. No. 1900: A bill for an act relating to elections; providing for the nomination and election of legislators without party designation; amending Minnesota Statutes 1974, Section 206.07, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Sections 203A.21, Subdivision 1; 203A.31, Subdivision 1; 203A.23, Subdivisions 7 and 9; and 203A.32, Subdivisions 1 and 2.

Referred to the Committee on Transportation and General Legislation.

Messrs. Moe, Bernhagen and Olson, A. G. introduced—

S. F. No. 1901: A bill for an act relating to cooperative associations; providing for changes in the electing of directors; amending Minnesota Statutes 1974, Sections 308.09, Subdivision 1; and 308.11.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Berg, Renneke and Brown introduced—

S. F. No. 1902: A bill for an act relating to ethics in government; prohibiting solicitation of lobbyists; amending Minnesota Statutes, 1975 Supplement, Chapter 210A, by adding a section.

Referred to the Committee on Transportation and General Legislation.

Messrs. Berg, Renneke and Brown introduced—

S. F. No. 1903: A bill for an act relating to the legislature; legislative expense payments; amending Minnesota Statutes, 1975 Supplement, Section 3.102.

Referred to the Committee on Governmental Operations.

Messrs. Doty, Dunn and Humphrey introduced—

S. F. No. 1904: A bill for an act relating to public officers; requiring a published list of boards and committees; notifying the public of vacancies and qualifications of candidates; providing for public hearing before appointment; authorizing review of functions of existing boards and committees; establishing a study commission.

Referred to the Committee on Governmental Operations.

Messrs. Davies, O'Neill and Coleman introduced—

S. F. No. 1905: A bill for an act relating to evidence; limiting use of certain kinds of records of legislative proceedings.

Referred to the Committee on Judiciary.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1507.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 29, 1976

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 22: A bill for an act relating to education; the establishment of educational cooperative service units to provide educational services and programs on a regional basis; appropriating money therefor.

There has been appointed as such committee on the part of the House:

Stanton, Norton and Suss.

Senate File No. 22 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned January 29, 1976

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House of the following Senate File:

S. F. No. 570: A bill for an act relating to taxation; increasing the income tax deduction for dependents' school expenses; amending Minnesota Statutes 1974, Section 290.09, Subdivision 22.

There has been appointed as such committee on the part of the House:

Osthoff; Kelly, W. and Johnson C.

Senate File No. 570 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned January 29, 1976

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 919: A bill for an act relating to the environment; directing creation of an environmental permits coordination unit within the environmental quality council; authorizing an optional consolidated application and hearing procedure for certain permits; directing establishment of permit information centers; appropriating money.

There has been appointed as such committee on the part of the House:

Patton; Sieben, H. and McCauley.

Senate File No. 919 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned January 29, 1976

Mr. President:

I have the honor to announce that the House has acceded to

the request of the Senate for the appointment of a new Conference Committee of five members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 1308: A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public use; requiring a substantial beneficial public use to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; appropriating money; amending Minnesota Statutes 1974, Sections 97.481; 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections.

There has been appointed as such committee on the part of the House:

Sherwood, Eken, Searle, Savelkoul and Hanson.

Senate File No. 1308 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 29, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 816: A bill for an act relating to towns; requiring towns to file financial reports with the state auditor; amending Minnesota Statutes 1974, Section 366.22.

Senate File No. 816 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 29, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Willet moved that the Senate concur in the amendments by the House to S. F. No. 816 and that the bill be placed on its re-passage as amended. The motion prevailed.

S. F. No. 816 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Doty	Knutson	Olson, A. G.	Solon
Bang	Dunn	Kowalczyk	Olson, H. D.	Spear
Berg	Frederick	Larson	Olson, J. L.	Stassen
Bernhagen	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Blatz	Hansen, Mel	Lewis	Patton	Stumpf
Brataas	Hanson, R.	McCutcheon	Perpich, G.	Tennessen
Brown	Hughes	Merriam	Pillsbury	Ueland
Chenoweth	Humphrey	Milton	Purfeerst	Wegener
Chmielewski	Josefson	Moe	Renneke	Willet
Coleman	Keefe, S.	Nelson	Schaaf	
Conzemius	Kirchner	North	Schmitz	
Davies	Kleinbaum	Olhoft	Sillers	

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

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 866: A bill for an act relating to liquor, abolishing the office of liquor control commissioner and transferring the powers and duties thereof to the commissioners of public safety and revenue; amending Minnesota Statutes 1974, Chapter 299A, by adding a section; Sections 299A.01, Subdivision 3; 340.44; 340.47, Subdivision 2; 340.485, Subdivision 1; and 340.492; repealing Minnesota Statutes 1974, Sections 299A.01, Subdivision 4; 340.08; 340.09; 340.485, Subdivision 4; and 340.491.

Senate File No. 866 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 29, 1976

#### CONCURRENCE AND REPASSAGE

Mr. North moved that the Senate concur in the amendments by the House to S. F. No. 866 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 866 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 54 and nays 1, as follows:

Those who voted in the affirmative were:

Bang	Dunn	Knutson	Olhoff	Schmitz
Berg	Frederick	Kowalczyk	Olson, A. G.	Sillers
Bernhagen	Hansen, Baldy	Larson	Olson, H. D.	Solon
Blatz	Hansen, Mel	Laufenburger	Olson, J. L.	Spear
Brataas	Hanson, R.	Lewis	O'Neill	Stokowski
Brown	Hughes	McCutcheon	Patton	Stumpf
Chenoweth	Humphrey	Merriam	Perpich, G.	Tennessee
Chmielewski	Josefson	Milton	Pillsbury	Ueland
Conzemius	Keefe, S.	Moe	Purfeerst	Wegener
Davies	Kirchner	Nelson	Renneke	Willet
Doty	Kleinbaum	North	Schaaf	

Mr. Stassen voted in the negative.

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

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 906: A bill for an act relating to plats and surveys; filing and certification thereof; providing an increase in the filing fees charged by the register of deeds; amending Minnesota Statutes 1974, Section 505.08, Subdivision 2.

Senate File No. 906 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 29, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 906 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 906 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Blatz	Chmielewski	Doty	Hansen, Mel
Bang	Brataas	Coleman	Dunn	Hanson, R.
Berg	Brown	Conzemius	Frederick	Humphrey
Bernhagen	Chenoweth	Davies	Hansen, Baldy	Josefson

Keefe, J.	Lewis	Olson, A. G.	Renneke	Stumpf
Keefe, S.	McCutcheon	Olson, H. D.	Schaaf	Tennessee
Kirchner	Merriam	Olson, J. L.	Schmitz	Ueland
Kleinbaum	Milton	O'Neill	Sillers	Wegener
Knutson	Moe	Patton	Solon	Willet
Kowalczyk	Nelson	Perpich, G.	Spear	
Larson	North	Pillsbury	Stassen	
Laufenburger	Olhoff	Purfeerst	Stokowski	

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

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1741, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1741: A bill for an act relating to the organization and operation of state government; appropriating money for the conservation and development of the state's natural resources; providing for maintenance of the Minnesota historical society; for the horticultural society; for maintenance of the Sibley house; for maintenance of various semi-state activities; for aids to local subdivisions of government; for maintenance of the uniform laws commission; for the Port Authority of Duluth; and for other purposes.

House File No. 1741 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 29, 1976

#### CONFERENCE COMMITTEE REPORT ON H.F. NO. 1741

A bill for an act relating to the organization and operation of state government; appropriating money for the conservation and development of the state's natural resources; providing for maintenance of the Minnesota historical society; for the horticultural society; for maintenance of the Sibley house; for maintenance of various semi-state activities; for aids to local subdivisions of government; for maintenance of the uniform laws commission; for the Port Authority of Duluth; and for other purposes.

January 28, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H.F. No. 1741 report that we have agreed upon the items in dispute and recommend as follows: The Senate recede from its amendments to H.F. No. 1741

and that the bill be amended by striking all matter after the enacting clause and in lieu thereof substituting the following:

“Section 1. APPROPRIATIONS. The sums hereinafter named, or so much thereof as may be necessary, are hereby appropriated out of the general fund in the state treasury, or any other fund herein designated for the purposes specified in the following sections of this act, to be available for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.

**APPROPRIATIONS**

Available for the Year

Ending June 30,

	1976	1977
	\$	\$

**Sec. 2. GENERAL GOVERNMENT**

Subdivision 1. Minnesota-Wisconsin Boundary Area Commission .....

41,200	46,000
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For 1975—\$6,000

Provided that the amount that may be expended shall not exceed the amount provided for the commission by the state of Wisconsin.

Subd. 2. Uniform Laws Commission .....

9,900	9,900
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Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 3. Great Lakes Commission .....

27,500	27,500
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**Sec. 3. DEVELOPMENT AND CONSERVATION OF NATURAL RESOURCES**

Subdivision 1. Societies and Associations

(a) State Horticultural Society

1. For maintenance .....

22,500	22,500
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(b) For expenses of the Junior Livestock Show in Duluth .....

1,400	1,400
-------	-------

	1976	1977
	\$	\$
Said sum to be paid to the junior livestock association of Duluth and to be expended by said association for the payment of the expenses and transportation of boys and girls displaying exhibits and in attendance at the junior livestock show at Duluth and for prizes awarded to exhibitors at said show.		
(c) For aid to Minnesota Livestock Breeders Association .....	14,100	14,200
(d) For aid to Northern Sheep Growers Associations ...	1,125	1,125
(e) For aid to Southern Sheep Growers Associations at LeSueur, Minnesota ....	500	500
(f) For Red River Valley Livestock Associations ..	7,500	7,500

Provided that the amount appropriated by item (f) hereof shall be disbursed pursuant to provisions of Minnesota Statutes, Section 38.02.

(g) For the Red River Valley Dairymen's Association, Inc., for the purpose of promoting better dairying	1,500	1,500
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Items (a), (c), (d), (e), (f), and (g) shall be appropriated under provisions of Minnesota Statutes, Section 17.07.

**Subd. 2. Aid to Agricultural Societies and Poultry Associations**

(a) Aid to county and district agricultural societies ....	240,000	240,000
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Of the amount appropriated by item (a), \$4,500 each year is for livestock premiums to county fair associations for carrying on boys' and girls' club work.

Provided that the amount ap-

	1976	1977
	\$	\$

propriated by item (a) hereof shall be disbursed according to Minnesota Statutes, Section 38.02.

Provided that out of the amounts appropriated by item (a) hereof, \$1,000 each year shall be available to the Red Lake Band of Chippewa Indians to be expended as may be directed by the Indian council for the purpose of encouraging such activities and arts as 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.

(b) County Fair Bicentennial Exhibits and Projects . . .	100,000
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Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Provided that these funds shall be used to reimburse county fairs who received funds under Laws 1973, Chapter 592, Section 4, Subdivision 2(a).

The payment to each county fair from this appropriation shall not exceed 20 percent of its total premiums paid in 1974.

(c) For aid in payment of premiums at exhibitions of poultry for the poultry associa-

	1976	1977
	\$	\$
tions mentioned in Laws 1949, Chapter 718, Section 7, Subdi- vision 8 . . . . .	3,500	3,500

Provided that out of the amounts appropriated by item (c) hereof the amount of \$1,125 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.

Provided that the northern poultry association (being a consolidation of fourteen northwestern county associations) shall receive not to exceed \$150.

Provided that no one association or society will receive an amount greater than the annual premium paid to exhibitors by them and shall not in any case exceed the sum of \$150 to any one county.

Provided further that any society or association to be entitled to their distributive share of this appropriation shall file annually with the department of agriculture on or before the first day of April of each year, a sworn statement signed by the president or secretary of such association or society showing the amount of cash premiums paid during the year to exhibitors, and the amount to be distributed to such society or association from said fund shall be based and determined upon the amount of cash premiums paid out as hereinbefore provided. Provided further that except as herein provided where there is more than one association in a county, the

	1976	1977
	\$	\$

amount allotted to such county, not exceeding \$150 aforesaid, shall be distributed to the societies in equal amounts.

Sec. 4. SOCIAL SECURITY

Subdivision 1. Minnesota Veterans Home

(a) Maintenance and repairs . .	651,946	678,503
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Of the amounts appropriated by item (a), including such additional federal funds and dedicated receipts as may be available for maintenance and repair not to exceed \$1,300,410 is for salaries for the year ending June 30, 1976, and \$1,301,710 is for salaries for the year ending June 30, 1977, but may be augmented by such specific sums as are appropriated for salary increases by the 1975 legislature.

Of the amounts appropriated by item (a), no additional classified employees shall be granted beyond the approved roster of 100 classified employees.

Federal aid, compensation, or reimbursement from the federal government or otherwise received by the Minnesota veterans home, and all receipts from maintenance charges are hereby reappropriated to be used for the purpose of supplementing the appropriation herein provided for, however, any income in excess of \$1,402,300 for fiscal year 1976, and \$1,462,300 for fiscal year 1977 shall reduce the general fund appropriation by a like amount.

No portion of the money appropriated for salaries shall be used to pay merit increases to employees in the unclassified service.

	1976	1977
	\$	\$
<p>No commissary privileges including food, laundry service, janitorial service, and household supplies shall be furnished to any employees paid from this appropriation.</p>		
(b) Repairs and replacements	30,000	
<p>Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.</p>		
<p>Subd. 2. Miscellaneous Accounts</p>		
<p>(a) Disabled American Veterans</p>		
1. For salaries, supplies and expense to be expended as provided by Laws 1941, Chapter 425	10,000	10,000
<p>(b) Veterans of Foreign Wars</p>		
1. For carrying out the provisions of Laws 1945, Chapter 455	10,500	10,500
<p>Sec. 5. EDUCATION, LIBRARIES, MUSEUMS AND RECREATION</p>		
<p>Subdivision 1. Minnesota Historical Society</p>		
(a) Grants and Aids	2,325,285	2,466,082
<p>The above appropriation includes sufficient funds to pay salary increases authorized January 1, 1975.</p>		
<p>From the appropriation made to the Historical Society by this act, employees, with the exception of the director, shall be paid a salary comparable to the salaries paid to state employees in the classified state civil service. The appropriation includes funds to provide for a seven-day-a-week tour program in the capitol and his-</p>		

	1976	1977
	\$	\$

torical buildings. The historical building shall remain open for public use on Saturdays and, if necessary, adjustments in the remainder of the weekday schedule may be effected by the Minnesota historical society. Notwithstanding any other laws to the contrary, the society may purchase fire, wind, hail and vandalism insurance from this appropriation. The amount of funds necessary to meet expenses shall be paid to the society upon certification by the director of the Minnesota historical society of this amount to the commissioner of finance.

Any unexpended balance remaining at the end of the first year shall be returned to the state treasury and credited to the general fund.

Notwithstanding any other law to the contrary the appropriations made in this act shall be subject to the charter of the Minnesota historical society of 1849 and as amended in 1856.

The Minnesota historical society shall report annually by November 15 of each year to the governor, the commissioners of finance and administration, and the appropriate finance committees of the house and senate the amount and purpose for which state funds under this subdivision were expended for each fiscal year of the biennium.

The grant-in-aid appropriation herein provided shall be expended in the manner and under the terms and conditions described by the governing body of the Minnesota historical society.

	1976	1977
	\$	\$
(b) Museum Program	200,000	
The appropriation herein provided shall be expended according to the provisions of Minnesota Statutes 138.035.		
(c) Historic Sites Improvement	150,000	
(d) Construction Archaeology	50,000	
(e) Contingent Account	30,000	
(f) Historic Sites Program	475,000	
(g) Harkin-Massopust Store	50,000	
(h) Grand Mound Interpretive Center	25,000	
These funds shall be available upon completion of construction of the Grand Mound interpretive center.		
Any unexpended balances in subdivision 1 (b), (c), (d), (e), (f), (g), and (h) remaining in the first year shall not cancel but shall be available for the second year of the biennium.		
(i) Minnesota History and Learning Center	25,000	25,000
(j) Regional History Centers	60,000	60,000
Subd. 2. For maintenance of the Sibley House, to be expended by the Sibley House Association	15,000	15,000
Notwithstanding any other law to the contrary, the amount of \$1,500 is provided each year out of the above appropriation for fire, wind, hail, and vandalism insurance.		
Subd. 3. Minnesota Academy of Science	16,200	16,200
Subd. 4. Minnesota State Arts Council	500,000	500,000

	1976	1977
	\$	\$

Provided that the state arts council shall create 13 local arts development task forces using state economic development region lines as district boundaries. The state arts council shall recognize one task force from each district. Each task force shall meet at least bimonthly and shall act as a clearing house with right of review and recommendation for proposals generated by groups and individuals within its region. This program shall be for local art development and not for professional touring or special projects.

The state arts council shall be responsible for the administration of the professional touring program. Grants made under the touring program shall be used only for payment of touring costs.

Provided that the state arts council shall develop a comprehensive statewide information and publicity system and that it shall include a progress report on its activities in its annual report to the legislature.

Provided that not less than 55 percent of program moneys shall be expended in regions outside the seven-county metropolitan area.

Provided that none of the state share of grants and subsidies shall be used for matching salary expenditures of any of the various arts councils.

Every publication, program or other graphic material prepared by the Minnesota state arts council or prepared for use by any other organization in connection with an activity

	1976	1977
	\$	\$

funded in whole or part by the council shall bear the legend:

“This activity is made possible in part by a grant provided by the Minnesota state legislature and the Congress of the United States.”

None of the appropriation for the second year of the bien-nium shall be expended until the state arts council has first consulted with the committee on appropriations of the house and the committee on finance of the senate and received its recommendation thereon. Such recommendation shall be advisory only.

Subsidies may be allocated to the major arts organizations, provided that the Minnesota state arts council shall set guidelines and shall be responsible for the disbursement of the following funds. In no event will the subsidy exceed the projected deficit in the year in which it is given. If these guidelines and restrictions are established and met, there is available \$75,000 for fiscal year 1976 and \$125,000 for fiscal year 1977 from the appropriation provided in this subdivision.

Provided that state funding for grants and subsidies may not be expended unless matched by federal funds except for the \$200,000 subsidy appropriation.

Subd. 5. Minnesota Safety Council .....

	47,500	47,500
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The moneys appropriated by this act shall be from the trunk highway fund and shall be disbursed by the commissioner of finance on certifica-

	1976	1977
	\$	\$
<p>tion of need therefor by the president of the Minnesota safety council. The commissioner of finance shall disburse upon such certification 25 percent of the annual appropriation on the first day of July, October, January, and April of each fiscal year.</p>		
<p>Sec. 6. MINNESOTA SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS . .</p>	15,000	15,000
<p>Provided that a portion of these funds shall be expended for education of the public relative to the sterilization of domestic pets.</p> <p>Provided further that a report shall be submitted to the 1976 and 1977 legislature regarding expenditures for public information programs.</p>		
<p>Sec. 7. COUNTY ATTORNEYS COUNCIL . . . . .</p>	50,000	50,000
<p>Sec. 8. PORT AUTHORITY OF DULUTH . . . . .</p>	80,000	80,000
<p>These amounts are appropriated to the Port Authority of Duluth, organized under Minnesota Statutes, Sections 458.09 to 458.19, and shall be used for the promotion of seaway trade.</p> <p>The Port Authority of Duluth shall file a report of activities financed by this appropriation with the legislature on or before November 1, 1975, and November 1, 1976.</p>		
<p>Sec. 9. SOUTHERN MINNESOTA RIVERS BASIN COMMISSION . . . . .</p>	40,000	40,000
<p>Sec. 10. UNEMPLOYMENT COMPENSATION</p> <p>For 1975—\$5,586.93.</p> <p>In reimbursement for unem-</p>		

	1976	1977
	\$	\$
ployment compensation benefits paid for former employees of the Minnesota Veterans Home.		

#### Sec. 11. WORKMENS COMPENSATION

For 1975—\$17,209.55

To be transferred by the commissioner of finance to the department of labor and industry compensation revolving fund, in payment of obligations incurred by the following agencies in the amounts as indicated:

Historical Society	\$11,318.53
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Minnesota Veterans Home	5,891.02
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Sec. 12. UNOBLIGATED BALANCES. The unobligated balances on hand as of June 30, 1975, June 30, 1976, and June 30, 1977, in the several appropriations and accounts of each of the departments or divisions for which an appropriation is made herein out of the general fund, are hereby cancelled into the general fund as of June 30, 1975, June 30, 1976, and June 30, 1977, and the unobligated balances on hand as of June 30, 1976, and June 30, 1977, appropriated out of any other fund shall be cancelled into the fund from which they are appropriated as of June 30, 1976, and June 30, 1977. The provisions of this section shall not apply where otherwise indicated in this act or to aid, contributions, or reimbursements received from the federal government by the state, and all such federal aid, contributions, or reimbursements are hereby reappropriated for the purpose of supplementing the appropriations herein provided.

Sec. 13. Any moneys made available to any state department or agency by this act by appropriation, transfer, or otherwise for the payment of salaries is a source of revenue to such department or agency under the provisions of Minnesota Statutes, Sections 355.50 and 352.04, Subdivision 5.

Sec. 14. This act is effective the day following final enactment."

We request adoption of this report and repassage of the bill in accordance therewith:

House Conferees: (Signed) A. J. (Tony) Eckstein, James Swanson, Wendell Erickson, Phyllis Kahn and John Arlandson

Senate Conferees: (Signed) Clarence M. Purfeerst, Gerald L. Willet, Gene Merriam, William Kirchner and Harmon Ogdahl

Mr. Purfeerst moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1741 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

**H. F. No. 1741:** A bill for an act relating to the organization and operation of state government; appropriating money for the conservation and development of the state's natural resources; providing for maintenance of the Minnesota historical society; for the horticultural society; for maintenance of the Sibley house; for maintenance of various semi-state activities; for aids to local subdivisions of government; for maintenance of the uniform laws commission; for the Port Authority of Duluth; and for other purposes.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	North	Schmitz
Ashbach	Doty	Kleinbaum	Olhoff	Sillers
Bang	Dunn	Knutson	Olson, A. G.	Solon
Berg	Frederick	Kowalczyk	Olson, H. D.	Spear
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Brataas	Hanson, R.	Lewis	Patton	Stumpf
Brown	Hughes	McCutcheon	Perpich, G.	Tennessee
Chenoweth	Humphrey	Merriam	Pillsbury	Ueland
Chmielewski	Josefson	Milton	Purfeerst	Wegener
Coleman	Keefe, J.	Moe	Renneke	Willet
Conzemius	Keefe, S.	Nelson	Schaaf	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted:

H. F. Nos. 166, 277, 955, 1355, 1376, 875, 1075, 1226 and 1302.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 29, 1976

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 166: A bill for an act relating to Ramsey County; authorizing the county to acquire the Brightwood Hills golf course in the city of New Brighton; authorizing the issuance of bonds to finance the purchase.

Referred to the Committee on Metropolitan and Urban Affairs.

H. F. No. 277: A bill for an act relating to commerce, requiring the display of sale price and other identifying information on certain used motor vehicles offered for sale after a certain date; prescribing a penalty; amending Minnesota Statutes 1974, Chapter 325, by adding a section.

Referred to the Committee on Labor and Commerce.

H. F. No. 955: A bill for an act relating to mobile homes; providing certain procedures for repossession of mobile homes; amending Minnesota Statutes 1974, Section 336.9-104.

Referred to the Committee on Rules and Administration.

H. F. No. 1355: A bill for an act relating to highway traffic regulations; littering; providing penalties; amending Minnesota Statutes 1974, Section 169.42, Subdivisions 1 and 5.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 1376: A bill for an act relating to insurance; examination fees; abstract or summary of the annual statement; amending Minnesota Statutes 1974, Sections 60A.03, Subdivision 5; 60A.13, Subdivision 3; and 60A.14, Subdivision 1.

Referred to the Committee on Rules and Administration.

H. F. No. 875: A bill for an act relating to labor relations; redefining professional strikebreaker; amending Minnesota Statutes 1974, Section 179.01, Subdivision 16.

Referred to the Committee on Labor and Commerce.

H. F. No. 1075: A bill for an act relating to public health; reducing to 17 the age at which a person is eligible to be a blood donor; amending Minnesota Statutes 1974, Section 145.41.

Referred to the Committee on Judiciary.

H. F. No. 1226: A bill for an act relating to drivers' licenses; classifications; providing that a class C license is valid for the operation of special mobile equipment used primarily for the construction or maintenance of streets and highways; amending Minnesota Statutes 1974, Section 171.02, Subdivision 2.

Referred to the Committee on Rules and Administration.

H. F. No. 1302: A bill for an act relating to insurance; providing for higher limits of liability coverage and uninsured motorist coverage; amending Minnesota Statutes 1974, Sections 65B.06; and 65B.49, Subdivision 6.

Referred to the Committee on Rules and Administration.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 998: A bill for an act relating to the state building code; extending its application to all municipalities and new buildings; authorizing municipalities to adopt and enforce building maintenance codes; clarifying state agency rulemaking regarding building code subject matter; clarifying appeals to the commissioner; limiting surcharge computation to valuation; amending Minnesota Statutes 1974, Sections 16.84; 16.851; 16.86, Subdivision 4; 16.863; 16.866, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 16.84, is amended to read:

16.84 [DEFINITIONS, STATE BUILDING CODE.] Subdivision 1. For the purposes of ~~Laws 1971, Chapter 561 sections 16.83 to 16.867~~, the terms defined in this section have the meanings given them.

Subd. 2. "Commissioner" means the commissioner of administration.

Subd. 3. "Municipality" means any city, or county, or town acting through its town board or other instrumentality of state government otherwise authorized by law to enact a building code which, as of May 27, 1971, has such a building code or which subsequently enacts a building code.

Subd. 4. "Code" means the state building code or any amendment thereof promulgated by the commissioner in accordance with the terms of ~~Laws 1971, Chapter 561 sections 16.83 to 16.867~~.

Subd. 5. "Committee" means the state building code standards committee established pursuant to ~~Laws 1971, Chapter 561 sections 16.83 to 16.867~~.

Subd. 6. "Building maintenance code" means a body of rules adopted by a municipality governing the mandatory rehabilitation or reconstruction of existing buildings for purposes of energy conservation and the protection of life, safety and health.

Subd. 7. "Agricultural building" means a structure on a farm designed, constructed and used to house farm implements or agricultural produce or products. An agricultural building shall not include a structure used for human habitation or which is entered on a regular basis by persons other than the owner, lessee and sublessee of the building and members of their immediate families, their employees, and persons engaged in the pickup or delivery of agricultural produce or products.

Sec. 2. Minnesota Statutes 1974, Section 16.851, is amended to read:

16.851 [STATE BUILDING CODE; MODIFICATIONS; APPLICATION.] Subdivision 1. Effective July 1, 1972, the state building code shall apply state-wide and supersede and take the place of the building code of any municipality. Specifically the code shall apply to any municipality which as of the effective date of this act has a building code and shall further apply to any

municipality which chooses to adopt a building code thereafter. Said building code shall not apply to farm dwellings and buildings, except with respect to other state inspections required or other rule-making authorized by Minnesota Statutes 1971, Section 104.05 as of the effective date of this act. The state building code shall not apply to agricultural buildings except with respect to state inspections required or rulemaking authorized by sections 104.05 and 326.244. Effective July 1, 1976, or as soon thereafter as possible, but in no event later than July 1, 1977, all municipalities shall adopt and enforce the state building code with respect to new construction within their respective jurisdictions. If a city has adopted or is enforcing the state building code on the effective date of this act, it shall be charged with enforcement of the code in the city unless the city enters into an agreement with a county or another city pursuant to section 471.59 to provide enforcement. In all other instances the county shall be charged with enforcement unless the county enters into an agreement with a city or another county pursuant to section 471.59 to provide enforcement. Municipalities are authorized to adopt and enforce individual building maintenance codes so long as the codes do not exceed the requirements of the state building code.

Subd. 2. If the commissioner determines that a municipality is not properly administering and enforcing the state building code as provided in section 16.867, the commissioner may cause administration and enforcement in the involved municipality to be undertaken by the state building inspector. The commissioner shall notify the affected municipality in writing immediately upon making the determination, and the municipality may challenge the determination as a contested case before the commissioner pursuant to the administrative procedure act. The commissioner shall quarterly bill each affected municipality for the administration and enforcement services rendered. Any costs to the state arising from the state administration and enforcement shall be borne by the subject municipality. The commissioner of administration shall annually certify to the commissioner of revenue any unpaid costs incurred by the state building inspector because of the failure of a municipality to administer and enforce the code. The commissioner of revenue is authorized to annually deduct any certified unpaid costs that are at least one year delinquent from state aid funds given to the municipality.

Sec. 3. Minnesota Statutes 1974, Section 16.86, Subdivision 4, is amended to read:

Subd. 4. The commissioner, notwithstanding any law to the contrary, shall hold all state hearings and make all determinations regarding any subject matter dealt with in the code including those in which another department or agency proposes to adopt or amend its rules and regulations which are incorporated by reference into the code or whenever the commissioner proposes to incorporate such regulations into the state building code. In no event shall a state agency or department subsequently authorized to adopt rules and regulations involving state building code subject matter proceed to adopt the rules and regulations without prior consultation with the commissioner.

Sec. 4. Minnesota Statutes 1974, Section 16.863, is amended to read:

16.863 [APPEALS.] Any person aggrieved by the final decision of any municipality as to the application of the code may, ~~within 30 days of said decision,~~ appeal ~~that decision~~ to the commissioner. Appellant shall submit a fee of \$20, payable to the commissioner, with his request for appeal. ~~The appeal shall be heard by the commissioner as a contested case pursuant to the administrative procedures act only if submitted:~~

(a) In writing;

(b) Not later than 30 calendar days after written notification to appellant of the municipality's final decision;

(c) With a copy of the involved municipality's written notification to appellant of its final decision;

(d) With a fee of \$20, payable to the commissioner.

If any of the above requirements are not met or if the commissioner determines that the appeal is based on matters beyond his jurisdiction, he shall not consider the appeal and shall remit the appeal fee to the appellant. The final decision of the involved municipality shall be subject to review de novo by the commissioner or his designee pursuant to this section ; and the commissioner shall submit his written findings to the involved parties. Any person party aggrieved by any ruling the decision of the commissioner may appeal to the district court in the county in which the dispute arose pursuant to section 15.0424.

Sec. 5. Minnesota Statutes 1974, Section 16.866, Subdivision 1, is amended to read:

16.866 [SURCHARGE.] Subdivision 1. [COMPUTATION.] For the purpose of defraying the costs of administering the provisions of ~~Laws 1971, Chapter 521 sections 16.83 to 16.867~~ there is hereby imposed a surcharge on all permits issued by municipalities in connection with the construction of , or addition or alteration to, buildings and equipment or appurtenances ; ~~on and after July 1, 1971,~~ as follows:

(a) Where the fee for the permit issued is fixed in amount the surcharge shall be equivalent to  $\frac{1}{2}$  mill (.0005) of such fee or 50 cents, whichever amount is greater. For all other permits, the surcharge shall be equivalent to  $\frac{1}{2}$  mill (.0005) of the valuation of the structure, addition or alteration for which the permit is required or 50 cents, whichever is greater. Provided however, that where the valuation of the structure, addition, or alteration is equal to or greater than \$1,000,000 but less than \$10,000,000, the surcharge shall be \$1,000, where said valuation is equal to or greater than \$10,000,000 but less than \$20,000,000 the surcharge shall be \$1,500 and where said valuation is equal to or greater than \$20,000,000 the surcharge shall be \$2,000.

Sec. 6. [TEMPORARY PROVISION.] No later than January 1, 1977, the commissioner of administration shall submit to the legislature a report containing his findings and recommendations on the method by which municipalities can best implement and

*finance enforcement of the state building code. In preparing the report the commissioner shall consult with representatives of municipalities and persons involved in the building industry. The report of the commissioner shall also recommend a method for financing operations of the building code division. If the commissioner determines that statutory amendments are necessary, he shall submit amendments in bill form to the legislature as part of the report required by this section.*

Sec. 7. [EFFECTIVE DATE.] *This act shall take effect on the day following final enactment; provided that section 2, subdivision 2, shall be effective July 1, 1977."*

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to the state building code; extending its application to all municipalities and new buildings; authorizing municipalities to adopt and enforce building maintenance codes; clarifying state agency rulemaking regarding building code subject matter; clarifying appeals to the commissioner; limiting surcharge computation to valuation; amending Minnesota Statutes 1974, Sections 16.84; 16.851; 16.86, Subdivision 4; 16.863; 16.866, Subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 447: A bill for an act relating to real estate brokers and salespersons; authorizing establishment of special licenses applicable solely to the rental or management of real estate; amending Minnesota Statutes 1974, Sections 82.20, Subdivision 1; and 82.22, Subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, strike "1974" and insert ", 1975 Supplement"

Pages 1 to 2, strike all of subdivision 6, and insert:

"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 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) 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, or private real estate schools licensed by the state department of education. The commissioner may by rule prescribe the curriculum and qualification of those employed as instructors."

Amend the title as follows:

Line 6, strike "Sections" and insert "Section"

Line 6, after "and" insert "Minnesota Statutes, 1975 Supplement, Section"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1805: A bill for an act relating to motor vehicle carriers; reinstating the rights of certain permit carriers upon filing proof of insurance or other security; amending Minnesota Statutes, 1975 Supplement, Section 221.141, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1736: A bill for an act relating to counties; authorizing the establishment of subordinate service districts in order to provide and finance governmental services.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "can" insert "more"

Page 1, line 12, after "[DEFINITION.]" insert "For the purposes of this act"

Page 1, line 13, before "means" insert ", "service district" or "district" "

Page 1, line 13, strike "district within" and insert "area of"

Page 1, line 22, after "undertake" insert "including any service or function which the county is requested to undertake pursuant to section 471.59, subdivision 8"

Page 2, line 3, after "resolution." insert "If the service to be provided in the district is presently provided on a county-wide basis, the resolution establishing the district shall be based on a finding that there are unique and special circumstances requiring an intensification or expansion of the service within the proposed district."

Page 2, line 3, strike "such a" and insert "the"

Page 2, line 7, strike "service or"

Page 2, line 8, strike "taxing" and insert "service"

Page 2, line 15, strike "to provide any service or services which"

Page 2, line 16, strike "the county is otherwise authorized by law to provide"

Page 3, line 3, before "service" strike "county"

Page 3, line 8, strike "service or"

Page 3, line 11, strike "service or"

Page 3, line 13, strike "such" and insert "a"

Page 3, line 13, strike "as may be"

Page 3, line 14, strike "Upon receipt of" and insert "If within 30 days after publication of the resolution,"

Page 3, line 16, strike "prior" and insert "is filed with the county auditor requesting a referendum on establishment of the district"

Page 3, strike line 17

Page 3, line 18, strike "section 6"

Page 3, line 23, strike "such" and insert "the"

Page 3, line 29, strike "service or"

Page 4, line 5, after "DISTRICT" insert "; ADDITIONAL SERVICES"

Page 4, line 5, before "The" insert "Subdivision 1."

Page 4, after line 13, insert

"Subd. 2. The county board, on its own motion or pursuant to petition, may provide additional services within an existing district pursuant to the procedures specified in sections 4 to 7."

Page 4, line 15, strike "county"

Page 4, line 16, strike "such" and insert "the"

Page 4, line 20, strike "subordinate taxing"

Page 4, line 20, strike "by levy of"

Page 4, line 21, after "charge" insert "imposed"

Page 4, line 21, strike "such service" and insert "the services"

Page 4, line 22, after "thereof" insert "; provided that if a referendum was held on the establishment of the district, the method of financing shall be as stated in the question submitted pursuant to section 7"

Page 4, line 22, after the period insert "All revenues derived from taxes levied or service charges imposed within a district shall be disbursed only for the benefit of the district."

Page 4, line 23, strike "WITHDRAWAL" and insert "TERMINATION"

Page 4, line 23, before "Upon" insert "Subdivision 1."

Page 4, line 26, strike "withdrawal" and insert "termination"

Page 4, line 26, strike "from the provisions of" and insert "and filed with the county auditor"

Page 4, line 27, strike "this act"

Page 4, line 29, strike "not less than 30 nor more than 90 days after"

Page 4, line 30, strike "receipt of such a petition"

Page 4, line 31, after "district." insert "The election shall be held not less than 30 nor more than 90 days after receipt of the petition or adoption of the resolution and"

Page 5, line 3, strike "withdrawn" and insert "terminated"

Page 5, line 3, strike "service or"

Page 5, line 4, strike "as"

Page 5, line 4, strike "such" and insert "the"

Page 5, line 7, strike "withdrawal and discontinuance of such services" and insert "termination of the district"

Page 5, line 8, strike "withdrawn" and insert "terminated"

Page 5, after line 11, insert

"Subd. 2. Termination of a district shall not relieve any property within the district from any tax liability for the payment of obligations issued to finance services within the district."

Page 5, line 13, strike "Any special act for a single county or" and insert "This act does not affect any subordinate service district established pursuant to any special act for a single county or group of counties, but no such district shall be expanded or terminated except in accordance with the provisions of this act, and no new subordinate service district shall be established or created in any county except in accordance with the provisions of this act."

Page 5, strike lines 14 through 18

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 687: A bill for an act relating to credit unions; allowing credit union members to vote by mail for officers and amendments; expanding the field of credit union membership; allowing credit unions certain powers with respect to dividends; amending Minnesota Statutes 1974, Sections 52.02; 52.05; 52.07 and 52.18.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 and 3, strike section 2.

Page 4, line 8, strike "officers" and insert "directors, credit committee and supervisory members"

Page 4, line 25, after "accounts" insert "according to character, amount and duration"

Page 4, line 26, after "rates." insert "A dividend shall be uniform within a classification."

Page 4, line 28, strike "\$50" and reinstate the stricken "\$10"

Renumber sections in sequence

Amend title as follows:

Line 4, strike "expanding the field of credit union"

Line 5, strike "membership;"

Line 7, strike "52.05;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1636: A bill for an act relating to insurance; clarifying the definition of insurance premium finance agreement; excluding certain agreements entered into by licensed insurance agents; amending Minnesota Statutes 1974, Sections 59A.02, Subdivision 2; and 59A.03, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, strike section 1

Page 2, line 14, after "union" insert "or resident insurance agent who, within 15 days after entering into an insurance premium finance agreement, transfers such agreement to a licensee or to any of the organizations exempt under this subdivision"

Page 2, lines 14 and 15, reinstate the stricken language

Page 2, line 15, strike "enter into, acquire or hold" and insert ", acquiring or holding"

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "clarifying the definition"

Strike lines 3 and 4

Line 5, strike "insurance agents;" and insert "clarifying license requirements for persons who enter into, acquire or hold insurance premium finance agreements;"

Line 6, strike "Sections 59A.02, Subdivision 2; and" and insert "Section"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

H. F. No. 525: A bill for an act relating to state government; creating a department of transportation; prescribing its duties and responsibilities; transferring the functions of some state departments; appropriating money; amending Minnesota Statutes 1974, Sections 43.09, Subdivision 2a; and 360.017, Subdivision 1; repealing Minnesota Statutes 1974, Sections 4.20; 161.03; and 360.014.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

**"Section 1. [174.01] [DEPARTMENT OF TRANSPORTATION; POLICY.]** *In order to provide a balanced transportation system, which system includes aeronautics, highways, motor carriers, ports, public transit, railroads and pipelines, a department of transportation is created. The department shall be the principal agency of the state for development, implementation, administration, consolidation, and coordination of state transportation policies, plans and programs.*

**Sec. 2. [174.02] [COMMISSIONER OF TRANSPORTATION; POWERS; DUTIES.]** *Subdivision 1. [APPOINTMENT.] The department shall be supervised and controlled by the commissioner of transportation, who shall be appointed by the governor with the advice and consent of the senate, for a four year term which shall coincide with the term of the governor and until his successor is appointed and qualified. He shall be appointed on the basis of his executive and administrative abilities, which shall include at least five years in one or more transportation related fields. The governor may remove the commissioner at his pleasure.*

*Subd. 2. [UNCLASSIFIED POSITIONS.] The commissioner may establish four positions in the unclassified service at the deputy and assistant commissioner, assistant to commissioner or personal secretary levels. No more than two of these positions shall be at the deputy commissioner level.*

*Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department in a manner recognizing the administrative and staffing needs of all modes of transportation within his jurisdiction, and shall employ personnel as he deems necessary to discharge the functions of the department.*

*Subd. 4. [APPEARANCES IN PUBLIC TRANSPORTATION MATTERS.] The commissioner may appear as a party on behalf of the public in any proceeding or matter before the interstate commerce commission, the civil aeronautics board or any other agency or instrumentality of government which regulates public services or rates relating to transportation or other matters related to the powers and responsibilities of the commissioner as prescribed by law. The commissioner shall appear as a party on behalf of the public in proceedings before the public service commission as provided in Minnesota Statutes, Chapters 218, 219, 221, and 222.*

*Subd. 5. [COOPERATION.] To facilitate the development of a unified and coordinated intrastate and interstate transportation system:*

*(a) The commissioner shall maintain close liaison, coordination and cooperation with the private sectors of transportation, the upper great lakes seaway development commission corporation, and any multi-state organization involved in transportation issues affecting the state;*

*(b) The commissioner shall participate in the planning, regulation and development of the port authorities of the state; and*

*(c) The commissioner or his designee shall be a nonvoting, ex officio member of the metropolitan airports commission, as organized and established under Minnesota Statutes, Sections 473.601 to 473.679.*

**Sec. 3. [174.03] [DEPARTMENT OF TRANSPORTATION; DUTIES OF COMMISSIONER.] Subdivision 1. [STATEWIDE TRANSPORTATION PLAN; PRIORITIES; SCHEDULE OF EXPENDITURES.]** *In order to best meet the present and future transportation needs of the public, to insure a strong state economy, to make most efficient use of public and private funds, and to promote the more efficient use of energy and other resources for transportation purposes, the commissioner shall:*

*(a) Develop, adopt, revise and monitor a statewide transportation plan. The plan shall incorporate all modes of transportation and provide for the interconnection and coordination of different modes of transportation. The commissioner shall evaluate alternative transportation programs and facilities proposed for inclusion in the plan in terms of economic costs and benefits, safety aspects, impact on present and planned land uses, environmental effects, energy efficiency, national transportation policies and priorities and availability of federal and other financial assistance. The commissioner shall consult with the metropolitan council, regional development commissions, port authorities, and other political subdivisions of the state in developing and revising the plan;*

*(b) Based upon the statewide transportation plan, develop statewide transportation priorities and schedule authorized public capital improvements and other authorized public transportation expenditures pursuant to the priorities;*

*(c) Three months after the commissioner notifies the commissioner of administration that the department is ready to commence operations, hold public hearings as may be appropriate solely for the purpose of receiving suggestions for future transportation alternatives and priorities for the state; these hearings shall be completed no later than six months from the date of the commissioner's notification;*

*(d) Complete the plan, priorities and schedule of expenditures required by this subdivision no later than July 1, 1978. Upon completion, the commissioner shall promulgate the plan, priorities, and schedule as a rule in accordance with Minnesota Statutes, Chapter 15.*

*Subd. 2. [IMPLEMENTATION OF PLAN.] After the adoption of the statewide transportation plan, the commissioner and the public service commission shall take no action inconsistent with that plan.*

*Subd. 3. [OTHER DUTIES.] The commissioner shall:*

*(a) Construct and maintain transportation facilities as authorized by law;*

*(b) Cooperate with, and may provide technical and financial assistance to, the metropolitan council and regional development commissions in the regional transportation planning process, in accordance with mutually acceptable terms and conditions;*

*(c) Cooperate with and may provide planning and technical assistance upon the request of any political subdivision or other governmental agency in accordance with mutually accepted terms and conditions, except as otherwise restricted by law; and*

*(d) Study and evaluate in a manner consistent with development of the statewide transportation plan, alternative methods for insuring adequate and economical transportation of agricultural commodities, supplies and other goods to and from rural areas of the state. The commissioner shall include in the study consideration of rail line improvement programs including those adopted or proposed in other states. Based on the study and evaluation, the commissioner shall recommend an appropriate state assistance program to the governor and the legislature no later than July 1, 1978. Upon completion of each stage of any rail improvement study conducted by a state department or agency, the information developed by the study shall be made available to the commissioner.*

*Subd. 4. [REGIONAL TRANSPORTATION PLANNING.] The metropolitan council, pursuant to Minnesota Statutes, Section 473.146, and the regional development commissions shall develop regional long-range transportation policy plans in cooperation with the commissioner and local units of government. Upon promulgation of the statewide transportation plan, and periodically as necessary thereafter, each regional policy plan shall be reviewed and amended, if necessary, by the appropriate regional agency to insure that the regional policy plan is not in conflict with the statewide transportation plan.*

*Subd. 5. [ECONOMIC, SOCIAL, AND ENVIRONMENTAL EFFECTS.] The commissioner shall consider the social, economic and environmental effects resulting from existing and proposed transportation facilities and shall make continuing efforts to mitigate any adverse effects. The commissioner shall utilize a systematic, interdisciplinary approach which shall insure the integrated use of the natural, social and physical sciences and the environmental design arts in plans and decisions which may affect the environment.*

*Subd. 6. [ENERGY CONSERVATION.] The commissioner, in cooperation with the Minnesota energy agency, shall evaluate all modes of transportation in terms of their levels of energy consumption. The director of the energy agency shall provide the commis-*

sioner with projections of the future availability of energy resources for transportation. The commissioner shall use the results of this evaluation and the projections to evaluate alternative programs and facilities to be included in the statewide plan and to otherwise promote the more efficient use of energy resources for transportation purposes.

*Subd. 7. [SALARIES AND EXPENSES.] Salaries and expenses of the department relating to highway purposes shall be paid from moneys available in the trunk highway fund. The funds provided in Minnesota Statutes, Sections 360.011 to 360.076 and 360.301 to 360.91 shall be expended by the commissioner of transportation in accordance with the purposes prescribed by those sections. Funds appropriated pursuant to the authority conferred by any constitutional article shall be expended in conformity with the purposes and uses authorized thereby.*

*Sec. 4. [174.04] [FINANCIAL ASSISTANCE; APPLICATIONS; DISBURSEMENT.] Subdivision 1. [REVIEW OF APPLICATION.] A regional development commission, metropolitan council, public transit commission, airport commission, port authority or other political subdivision of the state submitting an application for financial assistance for transportation planning, capital expenditures or operations to any state or federal agency, shall first submit the application to the commissioner of transportation. The commissioner shall review the application to determine whether it contains matters that substantially affect the statewide transportation plan and priorities. If the application does not contain such matters, the commissioner shall forward the application to the appropriate agency. If the application contains such matters, the commissioner shall review, comment on and approve or disapprove the application as being consistent with the plan and priorities. The commissioner shall then forward the application together with his comments and approval or disapproval to the appropriate agency.*

*Subd. 2. [DESIGNATED AGENT.] A regional development commission, metropolitan council, public transit commission, airport commission, port authority, or any other political subdivision of the state may designate the commissioner as its agent to receive and disburse funds by entering into an agreement with the commissioner prescribing the terms and conditions of the receipt and expenditure of the funds in accordance with federal and state laws and regulations.*

*Subd. 3. [EXCEPTIONS.] The provisions of this section shall not be construed as altering or amending in any way the provisions of Minnesota Statutes, Section 161.36, 360.016 or 360.0161.*

*Sec. 5. [174.05] [POLLUTION CONTROL AGENCY; REGULATIONS AND STANDARDS.] Subdivision 1. [NOTIFICATION BY POLLUTION CONTROL AGENCY.] The director of the pollution control agency shall inform the commissioner of transportation of all activities of the pollution control agency which relate to the adoption, revision or repeal of any standard or rule concerning transportation established pursuant to Minnesota Statutes, Section 116.07. Upon notification the commissioner shall*

*participate in those activities. Participation may include, but is not limited to, access to all pertinent information collected or compiled by the pollution control agency and transmittal to the director of the pollution control agency of information and expert opinions concerning the ability of affected modes of transportation to accomplish the desired objectives and the impact that alternative methods of attaining those objectives would have on present or planned transportation systems in the state.*

**Subd. 2. [COMMISSIONER TO SUBMIT REVIEW OF PROPOSED RULES.]** *Prior to public hearings on any rule concerning transportation proposed by the pollution control agency, the commissioner shall submit a written review of those rules, including an analysis of their impact upon the state's transportation system, and may propose alternative regulations or standards. This report shall be made part of the record of the hearing and shall be made available to any person prior to the hearing.*

**Subd. 3. [REPORT BY POLLUTION CONTROL AGENCY.]** *Upon the adoption, revision or repeal of a rule concerning transportation, the director of the pollution control agency shall publish a written report of the manner in which the adopted rule reflects consideration of the factors specified in Minnesota Statutes, Section 116.07, Subdivision 6, and the specific issues raised in the commissioner's report.*

**Sec. 6. [TRANSFER OF POWERS.] Subdivision 1. [DEPARTMENT OF HIGHWAYS.]** *All powers, duties and functions heretofore vested in or imposed on the commissioner of highways or the department of highways by Minnesota Statutes, Chapters 160, 161, 162, 163, 164, 165, 167, 169, 173, or sections 473.401 to 473.451 or any other law relating to the duties and powers of the commissioner of highways are transferred to, vested in, and imposed on the commissioner of transportation. The position of the commissioner of highways and the department of highways as heretofore constituted are abolished.*

**Subd. 2. [DEPARTMENT OF AERONAUTICS.]** *All powers, duties, and functions heretofore vested in or imposed on the commissioner of aeronautics or the department of aeronautics by Minnesota Statutes, Sections 360.011 to 360.076, 360.301 to 360.73, 360.81 to 360.91 or any other law relating to the duties and powers of the commissioner of aeronautics are transferred to, vested in, and imposed on the commissioner of transportation. The position of the commissioner of aeronautics and the department of aeronautics as heretofore constituted are abolished.*

**Subd. 3. [DEPARTMENT OF PUBLIC SERVICE.]** *All powers, duties and functions heretofore vested in or imposed on the department of public service, the public service commission or the director of the department of public service by Minnesota Statutes, Sections 216A.10 to 216A.13 are transferred to, vested in, and imposed on the commissioner of transportation.*

**Subd. 4. [STATE PUBLIC TRANSIT FINANCIAL ASSISTANCE.]** *All duties and responsibilities assigned to the state planning agency under Laws 1974, Chapter 534 or Laws 1975, Chapter*

203, Sections 9 to 11, are transferred to the commissioner of transportation.

**Subd. 5. [TRANSFER APPROVAL OF COMMISSIONER OF ADMINISTRATION.]** Any and all transfers of department of public service personnel, records and funds to the department of transportation, made pursuant to the provisions of this section, shall be subject to the approval of the commissioner of administration.

**Subd. 6. [EFFECT OF TRANSFERS TO THE DEPARTMENT OF TRANSPORTATION.]** (a) The department of transportation shall be deemed a continuation of the former department or agency as to those matters within the jurisdiction of the former department or agency which are assigned or transferred to the department by this act, with the same force and effect as though the functions, powers or duties of the agency or department had not been assigned or transferred, and shall not be held to constitute a new authority for the purpose of succession to all rights, powers, duties and obligations of the former department or agency, as constituted at the time of the assignment or transfer. All rules heretofore promulgated under authority of a power, duty or responsibility transferred by this act to the commissioner of transportation or to the department of transportation shall remain in full force and effect until modified or repealed.

(b) Any proceeding, court action, prosecution, or other business or matter which is pending on the effective date of this section and which was undertaken or commenced by a department or agency whose functions, powers or duties are transferred to the department of transportation by this act, may be conducted and completed by the department of transportation in the same manner, under the same terms and conditions, and with the same effect as though it were undertaken or commenced and conducted or completed by the former department or agency prior to the transfer.

(c) Except as otherwise provided in this act, the head of a department or agency whose functions, powers and duties are transferred to the department of transportation by this act shall transfer all contracts, books, maps, plans, papers, records, and property of every description within his jurisdiction or control to the commissioner of transportation. The commissioner shall receive from the public service department all documents, records and papers necessary to perform his duties.

(d) All unexpended funds appropriated to any department or agency for the purposes of any of its functions, powers, or duties which are transferred by this act to the department of transportation are hereby transferred to the department of transportation. When the functions, powers and duties that are affected by this act are the responsibility of the department of transportation and another department or agency, the commissioner of administration shall allocate any unexpended appropriation to the department or agency between the department of transportation and the other departments or agencies affected, as may be appropriate.

(e) Except as otherwise provided in this act, all persons employed in the classified service by a department or agency to perform any of the functions, powers or duties which are transferred by this act to the department of transportation, are transferred to the department. The positions of all persons who are employed in the unclassified service by a department or agency to perform any of the functions, powers or duties which are transferred by this act to the department, are abolished. Any person in the unclassified civil service whose position is abolished by this act and who is not appointed to an unclassified position authorized by this act may be otherwise continued in the unclassified service in the department of transportation, but for a period not to exceed 12 months from the date on which the department commences operation. Any unclassified position created for this purpose shall not be included in those authorized by section 2, subdivision 2, or section 8 of this act.

Subd. 7. [LEGISLATIVE INTENT; PROPOSALS FOR IMPLEMENTATION.] *It is the intent of the legislature that gas, oil, slur and other pipelines, long distance conveyor belt systems and other modes of transportation not now regulated by the state be constructed and operated in a manner that best serves the public good and complements other means of transportation. The commissioner of transportation shall submit to the governor and the legislature, no later than January 1, 1978, specific proposals, drafted in bill form if appropriate, to implement this policy within the areas of responsibility assigned to the department of transportation.*

Subd. 8. [RECOMMENDATIONS FOR STATUTORY REVISIONS.] *The commissioner shall submit, together with the proposals required by subdivision 7, specific recommendations of language to update all statutory sections which relate to the operation of his department and are in need of revision. The commissioner's report shall give special consideration to sections affecting rule-making and public hearings, to language or provisions rendered obsolete by passage of time, and to overall clarity and brevity of the statutes.*

Sec. 7. [REVISOR OF STATUTES; TERMINOLOGY CHANGES.] *In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall make the necessary changes in terminology to record the transfers of functions, powers and duties which are provided by this act from a department or agency to the department of transportation.*

Sec. 8. [174.10] [PROCEEDINGS BEFORE DEPARTMENT.] *Subdivision 1. The department or the public service commission, as appropriate, in any contested case shall give reasonable notice to representatives of associations or other interested groups or persons who have registered their names with the department for that purpose, to all parties and to cities and municipalities which the department or commission deems to be interested in the proceeding. The commissioner or commission may prescribe an annual fee to be credited to the general fund, which fee shall be a*

*charge to all registered groups or persons. This charge is to cover the out of pocket costs involved in giving such notice.*

*Subd. 2. In all matters over which the commissioner has regulatory, or enforcement authority, he may issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books, records, documents, and other evidentiary material. Any person failing or refusing to appear to testify regarding any matter about which he may be lawfully questioned or to produce any papers, books, records, documents, or other evidentiary materials in the matter to be heard, after having been required by a subpoena of the commissioner to do so may, upon application by the commissioner to the district court in any district, be ordered to comply therewith. A hearing examiner in a rule-making or contested case proceeding may, on behalf of the commissioner, issue subpoenas, administer oaths to witnesses, and take their affirmations. Depositions may be taken within or without the state by the commissioner or his designee in the manner provided by law for the taking of depositions in civil actions. A subpoena or other process or paper may be served upon any person named therein, anywhere within the state by any officer authorized to serve subpoenas or other process or paper in civil actions, with the same fees and mileage and in the same manner as prescribed by law for service of process issued out of the district court of this state.*

*Subd. 3. In proceedings under chapters 218, 219, 221, and 222 which involve a hearing before the public service commission, the matter shall be investigated and prosecuted before the commission by the commissioner of transportation representing the interests of the people of this state. Unless otherwise specified by statute, all hearings shall be conducted as a rule-making proceeding or as a contested case, as appropriate, in accordance with chapter 15. Any person aggrieved by a final decision of the commissioner in a contested case may appeal in the manner provided by Minnesota Statutes, Section 15.0424. An appeal shall be governed by Minnesota Statutes, Chapter 15.*

*Subd. 4. If, in any proceeding before him relating to or involving the reasonableness of rates, fares, charges, or classifications, the commissioner of transportation decides that he does not have jurisdiction because the traffic covered by the rates, fares, charges, or classifications is interstate commerce, he shall issue an order dismissing the proceeding and stating the ground of the dismissal, which order may be appealed from in like manner as other appealable orders of the commissioner.*

**Sec. 9. Minnesota Statutes, 1975 Supplement, Section 43.09, Subdivision 2a, is amended to read:**

**Subd. 2a. [ADDITIONAL UNCLASSIFIED POSITIONS.]** Notwithstanding any other law to the contrary, the personnel board, upon the request of the governor, is hereby authorized to establish permanent unclassified positions, or to unclassify previously classified positions, provided that:

(1) Positions so established involve only deputy or assistant heads of departments or agencies, or director level positions

which are not specifically established by law, and who are appointed by and report directly to a head of a department or agency who is required by law to be appointed by the governor, or by a gubernatorially appointed board; as well as one position for a personal secretary of any head of a department or agency listed in clause (4).

(2) Classified incumbents of such positions, if any, are not removed from that position for a period of one year except under applicable provisions of rules and laws governing classified state employees.

(3) If an employee in the classified civil service accepts a newly created unclassified position, he shall retain an inactive classified civil service status and, upon his request, the commissioner of personnel shall reappoint him to his previous classified position, or to a comparable position.

(4) Positions so established are limited in number to six in the departments of administration, corrections, finance, highways, transportation, natural resources, public safety, public welfare, and revenue; to five in the departments of commerce, education, health, labor and industry, and personnel; to four in the departments of agriculture, economic development, and employment services; to three in the departments department of aeronautics, public service, and the planning agency, and the pollution control agency; and to two in the departments of human rights and veterans affairs. Departments or agencies not enumerated in this clause shall not be authorized to establish additional unclassified positions under the provisions of this subdivision.

(5) Funds are available.

Sec. 10. Minnesota Statutes 1974, Section 216A.05, is amended to read:

216A.05 [FUNCTIONS AND POWERS OF COMMISSION.]  
Subdivision 1. [LEGISLATIVE NATURE OF FUNCTIONS.]  
The functions of the commission shall be legislative in nature. It may make such investigations and determinations, hold such hearings, prescribe such rules and regulations and issue such orders with respect to the control and conduct of the businesses coming within its jurisdiction as the legislature itself might make but only as it shall from time to time authorize.

Subd. 2. [POWERS.] The commission shall, to the extent prescribed by law:

(1) Investigate the management of all carriers and warehousemen; including express companies, sleeping car companies and telegraph companies, the manner in which their businesses are conducted and the adequacies of the services which they are affording to the public, and make all appropriate orders relating to the continuation, termination or modification of all services and facilities with a view to properly promoting the security and convenience of the public.

(2) Review and ascertain the reasonableness of tariffs of rates,

fares and charges, or any part or classification thereof, and prescribe the form and manner of filing, posting and publication thereof.

(3) Prescribe uniform systems of keeping and rendering accounts and the time within which such systems shall be adopted.

~~(4) Direct the repair and reconstruction or replacement of any inadequate or unsafe trackage or structure, motor carrier vehicle or facility.~~

~~(5)~~ (4) Order the issuance of franchises, permits or certificates of convenience and necessity.

Subd. 3. [FORMS.] The commission may:

~~(1) Make or amend any rules and regulations governing the procedure and conduct of its hearings not inconsistent with law.~~

~~(2)~~ (1) Subpoena, in the same manner a district court summons is served, at such time and place as it may designate, any books, papers or accounts kept by any regulated business within or without the state, or compel production of verified copies in lieu thereof.

~~(3)~~ (2) Prepare all forms or blanks for the purpose of obtaining information which it may deem necessary or useful in the proper exercise of its authority and duties in connection with regulated businesses, and prescribe the time and manner within which such blanks and forms shall be completed and filed with it.

~~(4)~~ (3) Inspect, at all reasonable times, and copy the books, records, memoranda, correspondence or other documents and records of any business under its jurisdiction.

~~(5)~~ (4) Examine, under oath, any officer, agent or employee thereof in relation to its business and affairs.

Subd. 4. [PERFORMANCE OF FUNCTIONS OF DEPARTMENT OF PUBLIC SERVICE.] The commission shall exercise each and every legislative function imposed in ~~present laws upon~~ *by law* on the department of public service.

Subd. 5. [HEARINGS UPON PETITIONS.] *With respect to those matters within its jurisdiction* the commission shall receive, hear and determine within six months all petitions filed with it in accordance with the procedures established by law and may investigate, hold hearings and make determinations upon its own motion to the same extent, and in every instance, in which it may do so upon petition.

Subd. 6. [OPERATION WITH REGARD TO FEDERAL LAW.] The commission is authorized:

(1) To cooperate with all federal agencies for the purpose of harmonizing state and federal regulations within the state to the extent and in the manner deemed advisable ; ~~and for such purpose may approve and establish freight rates which depart from the distance principle required by any state law .~~

(2) To conduct joint hearings with the ~~interstate commerce commission or federal communications commission~~ *any federal agency or commission* within or without the state and participate in any proceedings before such ~~commissions~~ *any federal agency or commission* when it considers such participation advisable and in the interest of the people of this state.

(3) To nominate members to any joint board as provided by federal acts.

Sec. 11. Minnesota Statutes 1974, Section 216A.06, is amended to read:

216A.06 [DIRECTOR.] Subdivision 1. [ESTABLISHMENT OF OFFICE, APPOINTMENT; TERM.] The office of director of the administrative division of the department of public service is hereby established. He shall be appointed by the governor with the advice and consent of the senate, for a four year term and the initial term to expire on the first Monday in January, 1971.

Subd. 2. [DISQUALIFICATIONS, REMOVAL.] The director shall be subject to the same disqualifications for office as commissioners, shall take and file a similar oath of office, and shall be in the unclassified service and shall be subject to removal by the governor for inefficiency, neglect of duty, malfeasance in office or any grounds provided herein as disqualifying him. His removal shall be upon not less than ten days' notice, based upon written charges, with an opportunity for a public hearing thereon *cause after notice and hearing*.

Sec. 12. Minnesota Statutes 1974, Section 216A.07, is amended to read:

216A.07 [DUTIES OF DIRECTOR.] The director shall be the executive and administrative head of the public service department. He shall have and possess all the rights and powers and perform all the duties relating to the administrative function of the department as set forth in ~~section 216A.02, subdivision 2 chapter 216A~~.

Sec. 13. Minnesota Statutes 1974, Section 216A.08, is amended to read:

216A.08 [CONTINUATION OF RULES OF PUBLIC SERVICE DEPARTMENT.] All valid rules, regulations, orders and directives heretofore *enforced*, issued or promulgated by the ~~railroad and warehouse commission~~ *public service department under authority of chapters 218, 219, 221 or 222* shall remain and continue in force and effect until repealed, modified or superseded by duly authorized rules, regulations, orders or directives of the public service commission *or the commissioner of transportation*.

Sec. 14. Minnesota Statutes 1974, Section 218.011, is amended to read:

218.011 [DEFINITIONS.] Subdivision 1. For the purposes of ~~this chapter~~ *chapters 218, 219 and 222*, the following terms

shall defined in this section have the meanings given them in this section.

Subd. 2. "Common carrier" shall mean all railroad companies, except private railroads; express companies; sleeping-car companies; and all persons, natural or artificial, engaged in such transportation as aforesaid common carriers for hire.

Subd. 3. "Railroad" shall include all *railways*, bridges, car floats, lighters and ferries used by or operated in connection with any railroad; and also all the road in use by any common carrier operating a railroad, whether owned or operated under a contract, agreement or lease; and also switches, spurs, tracks, terminals and terminal facilities of every kind used or necessary in the transportation of the persons or property designated herein, including all freight depots, yards and grounds, used or necessary in the transportation or delivery of any such property.

Subd. 4. "Transportation" shall include locomotives, *steam, diesel or electric powered engines*, cars and other vehicles, vessels and all instrumentalities and facilities of shipment or carriage, irrespective of ownership or of any contract, express or implied, for the use thereof, and all services in connection with the receipt, delivery, elevation and transfer in transit, ventilation, refrigeration, or icing, storage and handling of property transported.

Subd. 5. "*Department*" means the department of transportation.

Subd. 6. "*Commissioner*" means the commissioner of the department of transportation.

Subd. 7. "*Commission*" means the public service commission.

Sec. 15. Minnesota Statutes 1974, Section 218.021, is amended to read:

218.021 [COMMON CARRIERS, UNLAWFUL ACTS.] Subdivision 1. It shall be unlawful for any common carrier:

(1) To charge, demand, collect or receive for any service a greater or a lesser sum than that fixed in its published schedules.

(2) To change or discontinue any published rate, charge or classification, minimum weight or rule relating to the same, or operation of any regularly scheduled intrastate passenger trains, without approval of the ~~department of public service~~ *public service commission*.

(3) To make or give any undue or unreasonable preference or advantage, or any undue or unreasonable prejudice or disadvantage, to any person, company, firm, corporation, transit point or locality or to any particular description of traffic.

(4) By any special rate, rebate, drawback or other device, directly or indirectly, to charge, demand, collect or receive a greater or less compensation for any service rendered in the transportation of any property within this state than the regular established schedule of rates and charges for like and contemporaneous service for any other person, or for the public

generally; or, directly or indirectly, to offer or give any shipper, in connection with or as an inducement or reward for receiving any property for transportation, any gift, gratuity or free pass or any rate less than that offered to the public.

(5) Except as expressly permitted, to charge a greater rate per ton or per ton mile for a single carload of freight of any kind or class than for a greater number of carloads of the same kind or class, to and from the same points of origin or destination.

(6) To charge or receive any greater compensation for the transportation of passengers or of like kind or class and a quantity of property for a shorter than for a longer distance over the same line, the shorter being included within the longer; but this shall not be so construed as to authorize any carrier to charge or receive as great compensation for a shorter as for a longer distance; or to charge or receive any greater compensation per ton per mile for the contemporaneous transportation of the same class of freight for a longer than for a shorter distance over the same line in the same general direction, or from the same original point of departure or to the same point of arrival; but this shall not be construed so as to authorize any carrier to charge as high a rate per ton per mile for a longer as for a shorter distance.

(7) To charge or receive for the transportation of freight of any description for any distance within this state a greater amount than is at the same time charged or received for a like quantity of freight of the same class over a greater distance of the same railway; or to charge or receive at any point upon its road a higher rate for receiving, handling or delivering freight of the same class or quantity than it shall at the same time charge or receive to any other point upon the same line; or to charge or receive for freight of any description over its railway a greater amount than at the same time is charged or received for the transportation of a like quantity of freight of the same class being transported over any portion of the same railway of equal distance; or to charge or receive from any person a greater amount than it shall at the same time charge or receive from any other person for the same class and like quantity of freight at the same point upon its railway; or to charge or receive from any person for the transportation of any freight upon its railway a greater amount than it shall at the same time charge or receive from any other person for the transportation of a like quantity of freight of the same class being transported from the same point over an equal distance of the same railway; or to charge or receive from any person for the use and transportation of any railway car upon its railroad for any distance, a greater amount than is at the same time charged or received from any other person for the use and transportation of any railway car of the same class or number for a like purpose being transported over a greater distance of the same railway; or to charge or receive from any person for the use and transportation of any railway car upon its railroad a greater amount in the aggregate than it shall at the same time charge or receive from any other person

for the use and transportation of any railway car of the same class for a like purpose being transported from the same original point of an equal distance of the same railway; provided, however, where two or more railroads serve a common point one having a shorter mileage than the other from a given point, the railroad having the longer mileage may be authorized by the *department commission* to meet the rate made by the shortest line.

(8) To charge or receive more for transporting a car of freight than is charged or received per car for several cars of a like class of freight over the same railway for the same distance; or to charge or receive more for transporting a ton of freight than is charged or received per ton for more than a ton but less than a carload of like class over the same railway for the same distance; or to charge or receive more for transporting one hundred pounds of freight than is charged or received per hundred pounds above one hundred pounds but less than a ton of like class over the same railway for the same distance.

Subd. 2. Nothing herein shall prohibit carriage, storage or handling of property free or at reduced rates for the United States, the state, or any governmental subdivision thereof, ministers of religion, sisters of charity, missionaries, students of educational institutions or inmates of charitable institutions, or for charitable purposes, or for exhibition at fairs or at exhibitions, or of stock for breeding purposes, or issuance of excursion or commutation passenger tickets at rates equal for all; nor prohibit issuance of free tickets, passes or transportation to any officers, bona fide agents, surgeons, physicians, attorneys or employees of any common carrier or dependent members of their families, or to duly elected representatives of any railroad or motor bus labor organizations, or to children under twelve (12) years of age, ministers of religion, secretaries of Young Men's Associations, persons exclusively engaged in charitable and eleemosynary work, indigent, destitute and homeless persons and such persons, when transported by charitable societies or hospitals or by any public charity and the necessary agents employed in such transportation, inmates of national homes or state homes for disabled soldiers, inmates of soldiers' and sailors' homes including those entering and returning from such homes and transportation of managers of such homes, post office inspectors, custom and immigration inspectors, witnesses of common carriers attending any legal investigation in which the company is interested, officials and linemen of telegraph and telephone companies, ex-employees retired from service on account of age or because of disability sustained while in the service of the common carrier and dependent members of their families, or the widows or dependent children of employees killed or dying while in the service of such company, necessary caretakers of livestock, poultry, vegetables and fruit, including transportation to and from the point of delivery, employees on sleeping and express cars, railway or motor bus mail service employees, newsboys on trains or motor buses, baggage agents, persons injured in wrecks and physicians and nurses attending them; nor prohibit the interchange of passes, express and other

franks for the officers, bona fide agents, surgeons, physicians, attorneys and employee and dependent members of their families of any person or company with the object of providing relief in cases of general epidemic, pestilence or calamitous visitation; nor prohibit the interchange of passenger and freight transportation and message service between railroad, motor bus and telegraph companies; nor prohibit furnishing free transportation to the members of the department, its secretary *commissioner*, *members of the commission*, hearings officers, counsel or employees and agents while engaged in the performance of their duties, provided no such free transportation shall be given to any person when a member of, employed by or in any way connected with any political committee or an incumbent of any office or position under the constitution and laws of this state, except as above provided and except that free passes may be given to employees while occupying office or position other than judicial under a municipality, county or public school district, or while acting under appointment as a notary public, and may further issue free passes to any member of the legislature who has been an employee of such company for a continuous period of five (5) years prior to his election, and, provided, that such member of the legislature does not collect mileage for such travel from the state.

Sec. 16. Minnesota Statutes 1974, Section 218.025, is amended to read:

218.025 [TRANSPORTATION RATES FOR SHIPPING ROAD BUILDING MATERIALS.] The ~~department of public service is hereby authorized to~~ *commissioner may* make schedules of intrastate rates for railroads for the transportation of sand, gravel, crushed rock, and other materials to be used in the construction or maintenance of public roads and streets by or under the direction of public authorities, which rates may be lower than those charged for transporting the same kind of freight for all other purposes.

Sec. 17. Minnesota Statutes 1974, Section 218.031, as amended by Laws 1975, Chapter 313, Section 1, is amended to read:

218.031 [COMMON CARRIERS, DUTIES.] Subdivision 1. Except as otherwise directed or authorized, it shall be the duty of every common carrier:

(1) To prescribe in the first instance, and to publish upon not less than ten days' public notice in such manner as may be required by the ~~department~~ *commissioner* and law, all schedules of fares, rates and charges and classifications thereof, together with the rules governing the same, and minimum weights for transportation of freight articles between points or stations in the state, and terminal and switching charges, provided there shall be but one classification applicable to any one commodity which shall be uniform on all railroads in this state and govern in all state commerce.

(2) To comply with every duly authorized rule, regulation or

directive of the department commissioner or commission except as the same may be stayed, pending appeal therefrom.

(3) To put into effect and observe all schedules of rates, fares and charges and classifications and any amendments or changes therein duly ordered by the department commission, except as the same may be stayed, pending appeal.

(4) To maintain as may be directed by the public service commission commissioner for public inspection at stations and depots all schedules showing all classifications, rates, fares and charges for transportation of freight and passengers currently in force applying from such station. Such schedules shall state the places between which persons and property will be carried and show the classification of freight, the distance tariff, a table of distances between stations, any terminal charges and any rules or regulations in any way affecting the aggregate of such rates, fares and charges.

(5) Upon request of an owner or consignor of freight to the initial company, whenever the initial line does not reach the place of destination, or the distance from the place of origin to destination may be shortened, to transfer such freight to a connecting line without change in cars if in carload lots, except such change be free of charge to the shipper and receiver; and to transfer with or without change in cars of less than carload lots at a reasonable joint through rate agreed upon by the connecting carriers or prescribed by the department commission, not greater than the maximum rates allowed by law, provided any unloading and reloading which is necessary shall be at cost and the charge for such transfer included in the joint rate.

(6) To provide the same switching, transfer and handling facilities for local as for interstate traffic.

(7) Upon written demand of the owner, to construct, maintain and operate side tracks and reasonable facilities connecting with any grain warehouse, dock, wharf, mill, coal yard, quarry, brick or lime kiln, sand or gravel pit, crushed rock or concrete plant or manufactory as may be required by the department commission, and on such terms as may be agreed upon, or, on failure of agreement, as may be prescribed by the department commission.

(8) To issue receipts or bills of lading covering all property received for transportation from any point in the state to any other point in the state, and to respond for any loss, damage or injury to such property caused by it or any carrier to whom such property may be delivered or over whose line it may pass, nor shall any contractual provision whatever exempt it from such liability.

(9) To refund all overcharges for freight, baggage or express, and pay for any loss, damage or injury to property while in its possession, within ninety (90) days after the filing of a claim for such over-charge, loss or damage.

(10) To redeem, upon presentation to any authorized ticket

agent, any passenger ticket unused in whole or in part, which has not by its terms expired, and pay therefor a pro rata share of the price for which such ticket was sold or, if wholly unused, the entire purchase price.

(11) To furnish suitable care for the transportation of livestock and transport livestock of different kinds in the same car at the option of the shipper; to deliver all livestock arriving at any terminal, billed to any stockyard within twenty (20) miles thereof, to the chutes of such stockyard within five (5) hours after arrival at the terminal unless prevented by act of God, or to any chutes within ten (10) miles of the terminal within three (3) hours after arrival thereat unless prevented by act of God; to furnish transportation without charge, in connection with livestock shipments in carload lots, for one (1) person for the first car and an additional person for each additional four (4) carloads shipped at the same time, in a caboose or other suitable car while going, and by first class passage when returning.

(12) To keep its accounts so as to show, as far as practicable, the earnings derived from, and the expenses incurred in, handling intrastate business in such form as the department commissioner shall prescribe, including the separation of accounts for each operating division, wholly or partly within the state. Such accounts shall show the total cost of operating through trains and the total cost of operating the local or distributing trains of each operating division, wholly or partly within the state, during the fiscal year to be fixed by the department commissioner, the total number of tons of revenue and non-revenue freight, the number of tons of each carried one (1) mile on the through trains and on the local trains, respectively, the number of tons and ton miles of revenue and non-revenue freight carried on through or local trains which are exclusively intrastate, and the gross tons and ton miles made by through and local trains on each division. The accounts shall show the total revenue and non-revenue train and engine miles and the total revenue and non-revenue car miles (the non-revenue car miles to be shown loaded and empty separately) produced by such railroad in the state in each operating division, the number of each of the above train, engine and car mileage produced in handling the through trains and in handling the local trains, the total locomotive miles produced in switching on each division and such further information related to the income or cost of intrastate business as the department commissioner may require. The department commissioner may require such accounts to be kept with reference to the intrastate passenger business of each carrier and the train, car and engine mileage incurred in such business in this state as it may deem necessary.

(13) During pendency of any litigation, when rates prescribed by the department commission have not been put into effect, to keep a correct account of every charge made by it for any services to which such rates apply in excess of the rates prescribed, showing in each case the difference between the amount actually charged and the amount allowed to be charged, the date of

the transaction, the stations between which the business was carried and the names and addresses of the consignor and consignee, and to report such information in full to the department *commissioner* on ~~their~~ *his* request.

Subd. 2. Every common carrier shall furnish to the department *commissioner* :

(1) All schedules of rates, fares and charges, every part and classification thereof, together with minimum weights and rules with respect thereto, and any and all amendments, modifications or changes therein.

(2) All information duly required in blanks and forms furnished by the department *commissioner* .

(3) A copy of all annual reports and valuation data furnished to the Interstate Commerce Commission not later than June 30th, covering the preceding calendar year, together with any additional information regarding valuation of its properties requested by the department *commissioner* .

(4) A report of accidents, wrecks and casualties occurring in this state in such manner and form and at such times as prescribed by the department *commissioner*. All such reports administered by the department of public safety shall be received and administered in accordance with the provisions of section 169.09, subdivision 13. All other reports shall be open to public inspection but shall not be admissible in evidence in any suit or action for damages growing out of such accident, wreck or casualty.

(5) All tariff agreements or arrangements with other carriers.

(6) All joint schedules of rates, fares or classifications.

Subd. 3. *Nothing in Minnesota Statutes, Chapter 218, shall limit the liability of common carriers at common law with reference to property in their custody, including absolute responsibility for the acts of their agents with reference thereto, nor shall liability be limited by contract or otherwise, except as stated in their published classification schedules.*

Subd. 4. *A common carrier, issuing any receipt or bill of lading, shall be entitled to recover from the carrier on whose line loss, damage or injury shall have been sustained, such amount as it may be required to pay to the owners of the property as evidenced by any receipt, judgment or transcript thereof.*

Subd. 5. *Any railroad company may construct and maintain at its own expense any bridges and the approaches thereto so as to answer for ordinary travel and, unless within one mile from a toll bridge previously built by an incorporated bridge company over the same stream, may charge and collect for its use reasonable toll, subject to the approval of the proper county board. A toll shall be uniform and the rates shall be conspicuously posted on or near the toll house. The company may contract with any person or corporation for the payment of a fixed sum yearly or otherwise in lieu of toll.*

Subd. 6. *An action or proceeding may be instituted, upon veri-*

*fied complaint of the commissioner or any interested person in any district court of any county wherein a common carrier has a principal office or into which its railroad extends, for the enforcement of any provision of Minnesota Statutes, Chapter 218, or any order, rule or directive of the commissioner or commission, and the court may grant provisional or other relief, ordinary or extraordinary, legal or equitable, which the nature of the case may require, including temporary mandatory or restraining orders. Except when there is a constitutional right to trial by jury not expressly waived, all such proceedings shall be tried summarily by the court and such matters shall take precedence over all other matters except criminal cases.*

*Subd. 7. Every claim against a common carrier for any overcharge or difference in weight or for loss, damage or injury to property while in its possession, shall first be filed with either the agent at point of origin or of destination or with the freight claims department of the carrier. It shall not be filed until after arrival of shipment or some part thereof at destination or until after a lapse of reasonable time for the arrival thereof. It shall consist of: (a) original bill of lading or shipping receipt, (b) paid freight bill, (c) bill of claimant, (d) original invoices or certified copies, when necessary. True copies may be used or, in the absence thereof, an explanation. If a claim is not paid or adjusted within 90 days of its filing, suit may be commenced in any court of competent jurisdiction, in which all persons similarly situated may intervene or be joined and, if claimant prevails, a penalty of ten percent, plus legal interest, reasonable attorneys' fees, costs and disbursements shall be allowed.*

*Subd. 8. In all proceedings under this section, any final and duly promulgated material order, rule or directive of the commissioner or commission and all schedules of rates, fares or charges fixed by the commission shall be deemed and taken in all courts as prima facie fair and reasonable.*

*Subd. 9. In all proceedings under this section, the court may order payment of costs, counsel fees and disbursements as it deems just and reasonable.*

*Subd. 10. Any common carrier which shall do or cause to be done any unlawful act, or fail to perform any duty prescribed, or violate any duly established order, rule or directive of the commissioner or commission, or which shall aid or abet in the performance of any unlawful act or in the failure to perform any such duty, shall be liable in damages to any person injured thereby, and that person, if he recovers, shall be allowed, in addition to damages, reasonable attorneys' fees, together with costs and disbursements.*

Sec. 18. Minnesota Statutes 1974, Section 218.041, is amended to read:

218.041 [DUTIES OF COMMISSIONER.] Subdivision 1. With respect to all common carriers under this chapter including express companies and sleeping car companies, the department commissioner shall investigate the management thereof, the man-

ner in which their businesses are conducted, and the adequacy of the services they are affording the public ; *and shall* prescribe uniform systems of keeping and rendering accounts and the time within which such systems shall be adopted ; direct the repair and reconstruction or replacement of any inadequate or unsafe trackage, structure or facility; and . *The commission shall* make all appropriate orders relating to continuation, termination, modification or extension of services and facilities with a view to properly promoting the security and convenience of the public.

Subd. 2. The ~~department~~ *public service commission* shall, upon petition and appropriate proceedings thereunder *after hearing* :

(1) Review and ascertain the reasonableness and equalities of all schedules of rates, fares and charges or any part or classification thereof, including joint through rates, and, if found unreasonable or discriminatory, establish new schedules and prescribe the form and manner of filing, posting and publication thereof.

(2) Order the issuance of any franchises, permits or certificates of convenience and necessity.

(3) At all points of intersection and crossings of different railroads, or where two railroads are not more than one-half ( $\frac{1}{2}$ ) mile apart, and at all terminals, prescribe ample facilities by track connection, joint use of tracks, passenger and freight platforms and depots, warehouses, docks over which general merchandise is handled and forwarded, and other necessary appliances and conveniences for the transfer, forwarding and handling of general merchandise and parcel freight between such railroads and between such railroads and such docks, warehouses and vessels at such docks.

(4) Determine the proportionate share of each company in the cost of providing connecting and transfer facilities in the event the companies fail to agree.

(5) Direct construction, maintenance and operation at any points prescribed by law of all side tracks and reasonable facilities connecting any road with any grain warehouse or mill, dock, wharf, coal yard, quarry, brick or lime kiln, sand or gravel pit, crushed rock or concrete plant, or manufactory adjacent thereto, and prescribe the terms therefor.

(6) Direct the discontinuance of any regularly scheduled intrastate passenger trains upon a finding after public hearing that the public will not be deprived of reasonably adequate service thereby.

(7) (3) Prescribe schedules of reasonable maximum rates or charges for the transportation of freight and cars on each railroad, including the classification of such rates and rules governing the same, and revise the same from time to time.

(8) (4) Fix rates or charges for carrying livestock to St. Paul or between St. Paul and South St. Paul, provided that the railroad transporting such livestock to St. Paul shall absorb switching charges from St. Paul to South St. Paul out of its line haul rates

or charges for transportation of such livestock to St. Paul, or the common rate point which includes St. Paul.

(9) (5) Prescribe rates for feeding cattle applicable to out-movement from terminal markets. The *department commission* may unite two or more stations or commercial centers into a common rate point and may designate the classes of freight which shall take common rates, and fix the mileage that shall govern between the common rate point and any or all other points in the state. The distance so fixed shall not apply as a measure of the rate for the movement of the same class of freight for similar distances between other points.

(10) Prescribe rules and regulations for distribution of cars at stations for use of shippers of livestock and farm products.

(11) (6) Prescribe a schedule of joint through railway rates for freight over two or more connecting lines of railway and revise the same from time to time. In so doing, the *department commission* shall consider, among other things, rates established for shipments within this state for like distances over single lines, rates charged by the railway companies operating such connecting lines for joint interstate shipments, and the increased cost, if any, of a joint through shipment as compared with a shipment over a single line for like distances. In establishing rates for shipments in less than carload lots, in cases where connecting railways are not required to have common stations or stopping place for loading or unloading freight at connecting points, the *department commission* shall regulate the transportation of such freight from the usual unloading place of one railway to the usual loading place of the other. The share of any railway company of any joint through rates shall not be construed to fix the charge that it may make for a similar distance over any part of its line for any single rate shipment, or the share of any other joint rate. Where the line of a railway company connects the point of shipment with the point of destination but would require a longer haul than a joint haul for which a joint rate has been established, the *department commission* may authorize charging the joint rate for the single haul without affecting the charge upon any other part of its line except that the charge for a like kind of property must not be greater for a shorter than for a longer distance upon that railroad, all of the shorter hauls being included within the longer.

(12) (7) Define switching and drayage service to apply to the movement of traffic within and between points and fix reasonable maximum rates for the same, which shall be independent of any rates that may be made for line haul transportation. There shall be but one terminal charge for switching or transferring any car within any one municipality and, if it is necessary that any car in such transfer pass over the tracks of more than one railroad within such limits, the company first so transferring such car shall receive the entire charge therefor and be liable to each company doing subsequent switching for its just share of such charge as may be agreed upon among the companies, or, in the

event of disagreement, as prescribed by the department commissioner.

(8) Upon application by a carrier stating that it desires to establish a rate for a temporary period for the protection of the interests of the carriers or its shippers, authorize and establish the temporary rate, and extend the rate as the circumstances of the case may require, and permit the restoration of the rate existing at the time of the application without further proceedings.

(9) Authorize less than full fare rates for transportation of children under 12 years of age.

(10) Approve the establishment, change, or alteration of any rate, charge, or classification, minimum rate, or rule governing the same, to which a common carrier is a party, upon application of such common carrier in writing when such application appears to be noncontroversial.

Subd. 3. The commissioner shall, upon petition and after hearing:

(1) At all points of intersection and crossings of different railroads, or where two railroads are not more than one half mile apart, and at all terminals, prescribe ample facilities by track connection, joint use of tracks, passenger and freight platforms and depots, warehouses, docks over which general merchandise is handled and forwarded, and other necessary appliances and conveniences for the transfer, forwarding and handling of general merchandise and parcel freight between such railroads and between such railroads and such docks, warehouses and vessels at such docks.

(2) Determine the proportionate share of each company in the cost of providing connecting and transfer facilities in the event the companies fail to agree.

(3) Direct construction, maintenance and operation at any points prescribed by law of all side tracks and reasonable facilities connecting any road with any grain warehouse or mill, dock, wharf, coal yard, quarry, brick or lime kiln, sand or gravel pit, crushed rock or concrete plant, or manufactory adjacent thereto, and prescribe the terms therefor.

(4) Direct the discontinuance of any regularly scheduled intrastate passenger trains upon a finding after public hearing that the public will not be deprived of reasonably adequate service thereby.

(5) Prescribe rules and regulations for distribution of cars at stations for use of shippers of livestock and farm products.

~~(13)~~ (6) Require installation of track scales at terminals, warehouses and at all other points in the state where the same are deemed necessary and prescribe reasonable regulations for the weighing of cars and of freight.

~~(14)~~ (7) Prescribe the speed at which and the conditions under which cars of livestock shall be moved by any carrier within the state in intrastate shipments.

~~(15)~~ (8) Prescribe the fees necessary to cover cost of supervision and weighing and the method of assessment and collection thereof.

~~(16)~~ (9) Prescribe reasonable regulations for handling property, passenger, baggage, express and mail, partly over privately owned rights-of-way and partly over highways, so that reasonable and adequate accommodations and service may be afforded.

~~(17)~~ (10) Prescribe the extent to which any designated carrier, upon its petition, may be relieved from the operation of the principles established by section 218.021, subdivision 1, clauses (6), (7) and (8).

*Subd. 4. The commissioner shall:*

*(1) Supervise and inspect all track scales, and direct any carrier to transport, move and switch to any track scale free of charge any test car used by the state in testing the scales;*

*(2) Investigate and determine whether any common carriers are granting rebates or, in any other particular, failing to comply with laws or with orders, rules or directives of the commissioner or the department;*

*(3) Appear and press before the Interstate Commerce Commission any petition, whether filed by a resident of the state or otherwise, charging any common carrier doing business in this state with any violation of the Interstate Commerce Act of the United States, whenever the department deems the matter to be one of public interest;*

*(4) Appoint at public stockyards weighers as may be necessary for the purpose of weighing livestock; a weigher shall report daily to the supervisor of the stockyards on the weights taken by him; the report shall be in the form prescribed by the commissioner and the supervisor shall furnish to interested parties a certificate setting forth the number of animals weighed, for whose account weighed and the actual weight of the animals; no weigher shall, during his term of service, be in any manner interested in the handling, shipping, purchasing or selling of livestock or in the employ of any person or corporation engaged in that activity, nor shall he be a member of any livestock exchange or organization of like character;*

*(5) Authorize publication on less than ten days' public notice of schedules containing all classifications, rates, fares and charges for the transportation of freight and passengers;*

*(6) Collect all fees prescribed by the commissioner to cover the cost of supervision and weighing, depositing the same in the state treasury in a fund known as the livestock weighing fund; and*

*(7) Institute and prosecute all actions and proceedings in the appropriate courts for the enforcement of the provisions of Minnesota Statutes, Chapter 218, the orders, rules and directives of the commissioner and the commission issued thereunder and any violations thereof; and*

(8) Direct the repair, reconstruction or replacement of any inadequate or unsafe trackage, structure or facility.

*Subd. 5. The commissioner may:*

(1) Subpoena books, papers or accounts kept by any regulated business within or without the state, or compel production of verified copies;

(2) Prepare all forms or blanks for the purpose of obtaining information which the commissioner may deem necessary or useful for the proper exercise of his authority and duties in connection with regulated businesses, and prescribe the time and manner within which the blanks and forms shall be completed and filed;

(3) Inspect, at all reasonable times, and copy the books, records, memoranda, correspondence or other documents and records of any business under his jurisdiction; and

(4) Examine, under oath, any officer, agent or employee of a business under his jurisdiction concerning its business and affairs.

*Subd. 3 6 . The ~~department~~ commissioner may ; upon its discretion and without hearing:*

(1) Order any railroad company to furnish water for the use of stock at all stockyards in the state.

(2) Prescribe regulations for the weighing of cars and freight offered for shipment in carload lots, approve sealing devices to be used in sealing scales and require installation of such sealing devices.

(3) Order in and require installation and maintenance of stock scales at all stockyards, and fix the capacity of such scales which shall be for free use of all patrons, shipping livestock from, into or through such stockyards.

(4) Authorize less than full fare rates for transportation of children under twelve (12) years of age.

(5) Approve the establishment, change, or alteration of any rate, charge, or classification, minimum rate, or rule governing the same, to which a common carrier is a party, upon application of such common carrier in writing when such application appears to be noncontroversial.

Sec. 19. Minnesota Statutes 1974, Section 218.071, is amended to read:

218.071 [RULES AND ORDERS OF COMMISSIONER; OFFENSES AND PENALTIES.] Subdivision 1. Every duly adopted rule, order or directive of the ~~department~~ commissioner or commission shall have the full force and effect of law.

Subd. 2. Unless a different penalty or punishment is specifically prescribed, any person, firm or corporation who performs any unlawful act, or fails to perform any duty imposed upon him by this chapter, or to obey any valid and final order, rule or directive of the ~~department~~ commissioner or commission , or who assists

and aids therein, shall be guilty of a misdemeanor, and, if the violation be a continuing one, then he shall be guilty of a new offense for each day of such continuance, and for each offense shall be punished by a fine of one hundred dollars (\$100).

Subd. 3. Any common carrier, wilfully granting any special rate, rebate, drawback, or directly or indirectly charging, demanding or collecting a greater or less compensation than provided by its regular established schedule of rates and charges, shall be punished by a fine not exceeding five thousand dollars (\$5,000) for each such offense.

Subd. 4. Any common carrier failing to comply with any order of the ~~department~~ *commissioner or commission* shall be subject to a penalty of fifty dollars (\$50) for each and every day of such failure to comply, to be recovered for the state in a civil action by the department.

Sec. 20. Minnesota Statutes 1974, Section 219.03, is amended to read:

219.03 [INTERLOCKING DEVICES.] When, in the judgment of the ~~department of public service~~ *commissioner* it is necessary for the public safety ~~it~~ *he* may require, at all railroad crossings, junctions, and drawbridges in the state, the establishment of interlocking devices or such other safety appliances as are necessary for the protection and safety of the traveling public. Where two or more railroad companies are interested, the division of the expense of installing, maintaining, and operating the interlocking plant or safety device shall be agreed upon by the respective companies required to install the same; in case they cannot agree such division shall be determined by the ~~department~~ *commissioner* after a hearing.

Sec. 21. Minnesota Statutes 1974, Section 219.04, is amended to read:

219.04 [BLOCK SIGNAL SYSTEM; APPROVAL BY COMMISSIONER.] The ~~department~~ *commissioner* may require any railroad company on any part of its lines operated in this state to install and operate a "block signal system" or any other device or appliance that in its judgment will best promote the public safety. When any railroad company proposes to install in this state any interlocking plant, block signal system, or other safety appliance on any part of its system it shall first submit the plans to the ~~department~~ *commissioner* for approval and after the same is installed, have the department inspect same and issue a certificate before the plant is operated.

Sec. 22. Minnesota Statutes 1974, Section 219.14, is amended to read:

219.14 [RAILROAD CROSSINGS PROTECTED.] Subdivision 1. [INVESTIGATION.] The ~~department of its~~ *commissioner on his own motion* may investigate and determine whether any railroad crossing over any street or public highway now or hereafter established and traveled or to be traveled in this state is or will be when opened to public travel dangerous to life and property, or

either, and may order the same protected in any manner it may find reasonable and proper, including requiring the company to separate the grades.

Subd. 2. [HEARING.] The ~~department~~ *commissioner* shall give the *interested* railroad company *interested* such notice of the *investigation* as ~~it~~ *he* deems reasonable of the *investigation*, and an opportunity to be heard before any order is made.

Sec. 23. Minnesota Statutes 1974, Section 219.17, is amended to read:

219.17 [UNIFORM WARNING SIGNS.] The ~~department~~ is hereby authorized and required to adopt and prescribe uniform warning signs for use at grade crossings in this state which will furnish adequate warning of the existence and nature of such grade crossings and to make regulations as to the place of installation ~~commissioner~~ *by rule shall require that uniform warning signs be placed at grade crossings in this state*. There shall be at least three distinct types of such warning signs: a home crossing sign, for use in the immediate vicinity of the crossing, an approach crossing sign, to indicate the approach to a grade crossing, and a stop sign, which shall have the word "stop" plainly appearing thereon, to indicate the necessity to persons on the highway approaching the crossing, whether in vehicles or otherwise, to come to a stop before proceeding over the grade crossing.

Sec. 24. Minnesota Statutes, 1974, Section 219.19, is amended to read:

219.19 [ADDITIONAL WARNING SIGNS; RAILROADS TO PROVIDE.] At each grade crossing where, because of the conditions surrounding the same, the reasonable protection to life and property makes it necessary for additional warning signs to be placed on the highway at a greater distance from the crossing than the home signs, such approach warning signs shall be installed. The ~~department~~ is hereby authorized to ~~commissioner~~ *may designate any such grade crossings requiring such additional signs on either or both sides of said crossing. When any such crossing is designated by the ~~department~~ commissioner as requiring such additional protection, ~~it~~ he shall notify the railway company operating the railroad thereat and the public authorities having the care of the highway. Such railway company shall, within 30 days after such notification, furnish such uniform signs to such public authorities, and such public authorities shall erect these signs in conspicuous places on the highway on either or both sides of such grade crossings, as the case may be, not less than 200 feet from the crossing and thereafter maintain the same.*

Sec. 25. Minnesota Statutes 1974, Section 219.20, is amended to read:

219.20 [STOP SIGNS.] *Subdivision 1.* At each grade crossing where, because of the dangers attendant upon its use, the reasonable protection of life and property makes it necessary for all persons approaching the same to stop before crossing the railroad tracks thereat, such stop signs shall be installed. The ~~department~~

is hereby authorized ~~to~~ *commissioner* may designate any such crossing requiring such additional protection as a stop crossing, and shall notify the railway company operating the railroad thereat of such designation. Within 30 days after such notification it shall be the duty of such railway company to erect such uniform stop crossing signs in conspicuous places on each side of the crossing.

*Subd. 2. When a stop sign has been erected at a railroad crossing the driver of any vehicle shall stop within 50 feet, but not less than ten feet, from the nearest track of the crossing and shall proceed only upon exercising due care.*

Sec. 26. Minnesota Statutes 1974, Section 219.23, is amended to read:

219.23 [WATCHMEN; RAILROADS TO PROVIDE.] When the ~~department~~ *commissioner*, in any investigation instituted upon ~~its~~ *his* own motion or upon complaint and after notice and hearing, finds that the presence of a watchman is necessary for the protection of life and property at any grade crossing, ~~it~~ *he* shall order the railway company operating the railroad thereat to provide such watchman and shall specify in such order the hours during which the presence of the same is required. It shall thereupon be the duty of such railway company to provide such watchman during such time. Such watchman shall have full control over the traffic at this crossing.

Sec. 27. Minnesota Statutes 1974, Section 219.24, is amended to read:

219.24 [ADDITIONAL SAFEGUARDS.] When, in any investigation instituted upon its own motion or upon complaint and after notice and hearing, the ~~department~~ *commissioner* finds that conditions exist at any grade crossing which in ~~its~~ *his* opinion require any additional safeguards for the protection of life and property, such as crossing gates or other suitable devices, the ~~department~~ *is authorized to commissioner* shall specify the nature of the devices required and ~~to~~ *may* order the railway company operating the railroad at such crossing to install the same.

Sec. 28. Minnesota Statutes 1974, Section 219.25, is amended to read:

219.25 [CROSSING GATES.] When, in any investigation instituted upon its own motion or upon complaint and after notice and hearing, the ~~department~~ *commissioner* finds that the protection of life and property requires the constant operation of crossing gates, where the same are now or may be hereafter installed, the ~~department~~ *is authorized to commissioner* may order any railway company operating the railroad at such crossing to provide persons to operate such crossing gates for the full 24 hours of each day.

Sec. 29. Minnesota Statutes 1974, Section 219.26, is amended to read:

219.26 [GRADE CROSSINGS; UNIFORMITY OF DEVICES

FOR PROTECTION.] It shall be the duty of the ~~department~~ *commissioner* , so far as practicable, to secure uniformity in the devices used to protect grade crossings. No such devices shall be installed until the same have been approved by the ~~department~~ *commissioner* . All such devices which are now in use or which may be hereafter installed, which, in the opinion of the ~~department~~ *commissioner* , conflict with the devices approved by the ~~department~~ *commissioner* , either in their design or method of operation, so as to create a hazardous condition to the travel at such crossing, shall be immediately modified by the railroad company controlling the same so as to conform to those approved by the ~~department~~ *commissioner* .

Sec. 30. Minnesota Statutes 1974, Section 219.27, is amended to read:

219.27 [VACATING OR RELOCATING CROSSINGS; HEARINGS.] When it is desired, either by the public officials having the necessary authority or by the railway company operating the railroad, to vacate or relocate any crossing of a public highway and a railroad, and an agreement cannot be reached between such public officials and the railway company, either as to such vacation or relocation, or as to the place, manner of construction, or a reasonable division of expense in the case of a relocation, either party may file a petition with the ~~department~~ *commissioner* , setting forth the facts and submitting the matter to ~~it~~ *him* for determination; whereupon the ~~department~~ , after such notice as ~~it~~ *he* shall deem reasonable, ~~commissioner~~ shall conduct a hearing in accordance with *Minnesota Statutes, Chapter 15*, and shall issue ~~its~~ *his* order determining the matters so submitted; and unless the ~~department~~ *commissioner* finds that the interests and safety of the public require the continued existence of such crossing, it may order the same to be vacated or relocated, as the case may be.

Sec. 31. Minnesota Statutes 1974, Section 219.28, is amended to read:

219.28 [OVERHEAD OR UNDERGROUND CROSSINGS; SEPARATE GRADES.] The ~~department~~ *commissioner* may require any railroad company to construct overhead and maintain underground crossings and separate grades when, in ~~its~~ *his* opinion, the interests and safety of the public require, and no overhead or underground crossings, nor separation of grade, shall be made except upon petition therefor to the ~~department~~ , and with the approval of the ~~department~~ *commissioner* .

Sec. 32. Minnesota Statutes 1974, Section 219.383, is amended to read:

219.383 [SAFE OPERATION OF TRAINS OVER STREETS AND HIGHWAYS.] Subdivision 1. [RATE OF SPEED FOR TRAINS.] The ~~department~~ *of public service commissioner* on petition of any city council or any railway corporation may fix and determine after a hearing a reasonable rate of speed for the operation of an engine or train on and over any railroad crossing of a public highway or street in such city.

Subd. 2. [PROCEDURE.] The procedure before the department of public service commissioner and the right of appeal under this section shall be that provided in Minnesota Statutes 1944, Chapter 216, and acts amendatory thereof 15.

Subd. 3. [MAXIMUM RATE OF SPEED.] Where the department of public service commissioner has fixed the rate of speed of an engine or train over a public highway or street crossing in a city as provided in this section, such rate of speed so fixed shall be the lawful maximum rate of speed at which an engine or train can be operated on and over such public highway or street crossing, until changed by subsequent order of the department commissioner.

Subd. 4. [NOT TO BLOCK PUBLIC ROADS OR STREETS.] No railway corporation shall permit any public road or street crossing a railroad track to be closed for traffic by a standing car, train, or engine or other railroad equipment for a longer period than ten minutes, provided, this section shall not apply to cities of the first class which regulate obstruction of streets by ordinance.

Subd. 5. [VIOLATION.] Any railway corporation violating any provision of this section shall be guilty of a misdemeanor and upon conviction therefor shall be liable for a fine of not less than \$25 nor more than \$100.

Sec. 33. Minnesota Statutes, 1975 Supplement, Section 219.39, is amended to read:

219.39 [DANGEROUS CROSSINGS; COMPLAINT; HEARINGS.] *On his own motion, or upon written complaint authorized by a majority vote of the members of the council the governing body of any city or county, or by the board of supervisors of any town, or board of county commissioners of any county in this state, or by the commissioner of highways, filed with the department, by the chief executive officer of the city, the chairman of the board of supervisors or the county commissioners, or the commissioner of highways, as the case may be, alleging that any railroad crossing with any street, road or highway in the city, or town or county road, or state aid road or trunk highway, is dangerous to life and property, and giving the reasons therefor, the department commissioner shall proceed to investigate the matters contained in the complaint, and, where necessary, convene a hearing, at a time and place to be fixed by the department commissioner, after such notice to the complainant and the railroad as the department commissioner may deem reasonable.*

Sec. 34. Minnesota Statutes, 1975 Supplement, Section 219.40, is amended to read:

219.40 [DETERMINATION; ORDER; FLAGMEN OR SAFETY DEVICE.] *The department shall decide the matter set forth in the complaint and make a proposal for decision in writing, including findings of fact, and make such proposed order as it shall deem proper in the premises and, if the department shall find the crossing to be dangerous, it If a complaint is made under section 219.39, the commissioner shall determine whether the crossing is dangerous and may with or without hearing require the*

railroad company complained of to provide flagmen at such crossing, or to adopt such safety ~~device~~ *devices* as the ~~department~~ *commissioner* may deem necessary for the proper protection of the crossing, or it may require the removal of any structure, embankment or other obstruction to the view, or it may require the crossing complained of or other crossing in the vicinity thereof closed, or it may require the railroad company to construct an overhead or maintain an underground crossing and divide the cost thereof between the railroad company, the town, county, municipal corporation, or state highway department interested, on such terms and conditions as ~~to the department~~ may seem just and equitable. Where the railroad has been constructed or the grade thereof lowered after the laying out of the highway and the railroad tracks are seven feet or more below the natural surface of the ground, the ~~department~~ *commissioner* may require the maintenance of an overhead bridge with suitable approaches and require the complaining city, town, or county to remove any embankment, structure or other obstruction to the view as may be reasonable and necessary to properly protect the crossing; provided, that no highway shall be laid out over any railroad so as to cross at the same grade until such crossing has been approved by the ~~department~~ *commissioner*. If the complainant or the railroad files exceptions to a ~~proposal for a decision~~ *an order of the commissioner made under this section* without a hearing, the ~~department~~ *commissioner* shall convene a hearing ~~and on the original complaint~~. If the ~~department of public service~~ *commissioner or his designee* after notice and hearing orders the installation of a safety device, or the construction, reconstruction, modernization or replacement of major parts, as defined by the ~~department~~ *rule of the commissioner*, of said safety device, gates, or other type of special protection, or the removal of a structure, embankment or other obstruction to the view, or orders the construction, reconstruction or maintenance of an underground or overhead crossing on any public road, street, or highway, ~~it~~ *he* may in the same order direct that the costs thereof be divided between the railroad company and the public authority involved on such basis as the parties may agree, or, if they fail to agree, then the costs thereof shall be as determined by the ~~department of public service~~ *commissioner or his designee* on the basis of benefit to the users of each; or the ~~department~~ *commissioner or his designee* may defer determination of the division of costs to a subsequent order to be made on the basis of evidence previously taken. Where a state trunk highway is involved, the state's share of the costs shall be paid from any funds available to the department of highways. In all other cases the public's share of the costs shall be paid from available funds or from the Minnesota highway safety account, if ordered by the ~~department~~ *commissioner or his designee*, or from any combination of the above or other available funds; provided that any highway, street or road fund shall only be expended for such costs on a highway, street or road within the political subdivision charged with the maintenance and care thereof and only upon the highways, streets or roads for which the fund was allocated, or for which the fund was created.

Sec. 35. Minnesota Statutes 1974, Section 219.401, is amended to read:

219.401 [HIGHWAY SAFETY ACCOUNT]. Subdivision 1. There is hereby created in the treasury of the state a Minnesota highway safety account which shall consist of the moneys herein-after appropriated and which shall be supervised, regulated and controlled by the Minnesota department of public service as hereinafter provided *commissioner*.

Subd. 2. Notwithstanding the provisions of any law to the contrary, all moneys credited to the Minnesota highway safety account are hereby appropriated annually for the purposes of carrying out the terms and provisions of Minnesota Statutes 1965, Sections Section 219.40 and 219.401.

Sec. 36. Minnesota Statutes 1974, Section 219.41, is amended to read:

219.41 [APPEAL; ORDER, HOW ENFORCED.] Any railroad company, or the city, town or county making the complaint, may appeal from an order of the ~~department~~ *commissioner* to the district court of the county in which the crossing is located; and, in case of such appeal, the same proceedings shall be had as is now provided by law for an appeal from orders of the ~~department~~ *commissioner*. All orders of the ~~department~~ *commissioner* shall be enforced by the attorney general.

Sec. 37. Minnesota Statutes 1974, Section 219.42, is amended to read:

219.42 [FAILURE TO COMPLY; PENALTY.] Any railroad company or any city, town, or county failing to comply with any order of the ~~department~~ *commissioner* that is not appealed from; or, if appealed from, affirmed in whole or in part, shall be liable to a penalty of \$50 for each and every day of such non-compliance to be collected in civil action brought by the attorney general.

Sec. 38. Minnesota Statutes 1974, Section 219.43, is amended to read:

219.43 [TEMPORARY FLAGMAN.] When it shall appear from any cause that an unusual number of trains are being operated in or through any city in this state the ~~department~~ shall have power *commissioner may*, upon complaint made by the city council, to compel the installation of a flagman, or flagmen, as the case may be, without a hearing and such order shall be complied with within five days; provided, that such railroad company may remove such flagmen when the movements of trains through such city assumes normal conditions.

Sec. 39. Minnesota Statutes 1974, Section 219.46, Subdivision 1, is amended to read:

219.46 [UNLAWFUL STRUCTURES; CLEARANCES.] Subdivision 1. [STRUCTURES.] On and after the passage of Laws 1913, Chapter 307, it shall be unlawful for any common carrier, or any other person, to erect or reconstruct and thereafter maintain

on any standard gauge road on its line or on any standard gauge sidetrack used in connection therewith, for use in any traffic mentioned in section 219.45, any warehouse, coal chute, stock pen, pole, mail crane, standpipe, hog drencher, or any permanent or fixed structure or obstruction, or in excavating allow any embankment of earth or natural rock to remain upon its line of railroad, or on any sidetrack used in connection therewith at a distance less than eight feet measured from the center line of the track, which structure or obstruction adjoins on standard gauge roads; nor shall any overhead wires, bridges, viaduct or other obstruction passing over or above its tracks as aforesaid be erected or reconstructed at a less height than 21 feet, measured from the top of the track rail.

If after May 1, 1943, overhead structures or platforms or any structures designed only to be used in the loading or unloading of cars are rebuilt or remodeled, then such overhead structures shall be built with an overhead clearance of not less than 22 feet from the top of the rail and such structures or platforms shall be built with a side clearance of not less than eight feet six inches from the center line of the track unless by order the ~~department~~ *commissioner* may provide otherwise.

Laws 1913, Chapter 307, shall not be construed to apply to yards and terminals of depot companies or railway companies used only for passenger service. In the event of personal injury sustained by any employee of any such company in this paragraph mentioned, by reason of noncompliance with the provisions of Laws 1913, Chapter 307, such employee, or in case of his death, his personal representative, shall have all the rights, privileges and immunities enumerated in Laws 1913, Chapter 307, Section 9.

On and after May 1, 1943, it shall be unlawful for any common carrier, or any other person, to erect or construct on any standard gauge road on its line or on any standard gauge sidetrack or spur used in connection therewith, for use in any traffic mentioned in section 219.45, any warehouse, coal chute, stock pen, pole, mail crane, standpipe, hog drencher, or any permanent or fixed structure or obstruction, or in hereafter excavating allow any embankment of earth or natural rock to remain upon its line of railroad, or on any sidetrack used in connection therewith at a distance less than eight feet six inches measured from the center line of the track, which said structure or obstruction adjoins on standard gauge roads, nor shall any overhead wires, bridges, viaduct or other obstruction passing over or above its tracks as aforesaid be erected or constructed at a less height than 22 feet, measured from the top of the track rail.

Sec. 40. Minnesota Statutes 1974, Section 219.46, Subdivision 4, is amended to read:

Subd. 4. [MAY MAINTAIN EXISTING TRACKS.] It shall not be unlawful for any common carrier or any other person to maintain or reconstruct any tracks now in existence which were constructed after April 16, 1913, in accordance with the then existing clearance law or to maintain or reconstruct tracks which,

if constructed prior to said date, were constructed with clearances as provided in Laws 1913, Chapter 307, or to maintain or reconstruct tracks built in accordance with the provisions of Laws 1913, Chapter 448. As to tracks that were constructed with a less clearance than 13 feet between center lines prior to April 16, 1913, it is hereby declared that the maintenance of a clearance of less than 13 feet between center lines in railroad switching yards may create a hazard and the ~~department~~ *commissioner* is hereby authorized on petition by an affected party and after hearing, where a greater clearance can be reasonably provided, to require adequate and safe clearances as rapidly as possible in such yards.

Sec. 41. Minnesota Statutes 1974, Section 219.46, Subdivision 7, is amended to read:

Subd. 7. [ORDER FOR LESS CLEARANCE.] The ~~department~~ *commissioner* after a hearing may authorize in the construction and reconstruction of bridges and tunnels by general order a less clearance than eight feet six inches from the center line of the track at a height of not to exceed six feet above the top of the rail and a clearance of less than eight feet six inches from the center line of the track at a point which shall not be less than 14 feet 6 inches above the top of the rail.

Sec. 42. Minnesota Statutes 1974, Section 219.47, is amended to read:

219.47 [EXCEPTIONS.] The ~~department~~ *commissioner* may upon application made, after a thorough investigation and hearing in any particular case, permit any common carrier or any person or corporation to which Laws 1913, Chapter 307, as amended, applies to erect any overhead or side obstruction at a less distance from the track than herein provided for, and to construct any track or tracks at a less clearance than herein provided for, and to reconstruct and maintain the same when in the judgment of said ~~department~~ *the commissioner* a compliance with the clearance prescribed herein would be unreasonable or unnecessary or the erection or construction of such overhead or side obstruction or tracks or the reconstruction and maintenance of the same at a less clearance than herein provided would not create a condition unduly hazardous to the employes of such common carrier or any person or corporation.

Sec. 43. Minnesota Statutes 1974, Section 219.51, is amended to read:

219.51 [PENALTIES.] Any common carrier, corporation, or person subject to the provisions of sections 219.45 to 219.53 violating any of the provisions thereof, shall be liable to a penalty of not more than \$500 for each violation; and if any common carrier, person, or corporation shall thereafter fail to correct any violation of sections 219.45 to 219.53 when ordered to correct the same by the ~~department~~ *commissioner* and has failed to do so within the time provided in the order of the ~~department~~ *commissioner*, and no appeal has been taken from the order, then the failure of such common carrier, person, or corporation to correct the condition causing a violation of sections 219.45 to 219.53 as in the order of

the ~~department~~ *commissioner* provided shall constitute a new and separate offense distinct and separate from the original violation of sections 219.45 to 219.53, such penalty to be recovered in a suit to be brought in the name of the state of Minnesota by the attorney general or under his direction in any court having jurisdiction thereof in the locality where such violation shall have been committed, and it shall be the duty of the attorney general under the direction of the ~~department~~ *commissioner* to bring such suit upon duly verified information being lodged with him by any person of such violation being committed, and it shall also be the duty of the ~~department~~ *commissioner* to lodge with the attorney general information of any such violation as may come to ~~its~~ *his* knowledge.

Sec. 44. Minnesota Statutes 1974, Section 219.52, is amended to read:

219.52 [INSPECTORS OF BUREAU OF LABOR; DUTIES.] Where any structure is at a less distance from the track than as provided by sections 219.45 to 219.53 the ~~department~~ *commissioner* shall provide for warning signs to be placed thereon of such design and type as the ~~department~~ *commissioner* shall deem proper unless the ~~department~~ *commissioner* shall determine such a sign is unnecessary. It shall be the duty of the railroad inspectors of the department of labor and industry to report to the ~~department~~ *commissioner* and to the attorney general any violation of the provisions of sections 219.45 to 219.53 of which they may obtain knowledge.

Sec. 45. Minnesota Statutes 1974, Section 219.54, is amended to read:

219.54 [FREIGHT PLATFORMS.] Every railroad company shall provide at all stations in statutory cities containing 250 inhabitants or more within 30 days after written notice, served in the same manner as a summons in district court, from the city council of such city requiring such company so to do, and at other stations and sidings when required by the ~~department~~ *commissioner*, immediately alongside of its tracks or sidetracks, platforms with approaches at each end, suitable and convenient for loading upon and unloading from its cars heavy machinery and other freight. Such platforms shall be at least 12 feet wide, strongly built, and floored with plank at least three inches thick. The platforms, exclusive of approaches, shall be at least 32 feet long and of the height of the floor of an ordinary box car, and the approaches of such grade that heavily loaded teams can be driven up and down the same. Any such company failing to comply with the provisions of this section shall forfeit to the state not less than \$500 nor more than \$1,000 for every 30 days that such failure shall continue.

Sec. 46. Minnesota Statutes 1974, Section 219.55, is amended to read:

219.55 [LOADING PLATFORMS.] When required by the ~~department~~ *commissioner*, every railroad company shall construct and maintain at each station and siding a suitable platform for the

purpose of loading grain, livestock and other commodities into its cars for shipment. The ~~department~~ *commissioner* may require the enlargement of any platform so constructed or the construction of additional platforms at any such station or siding, when it deems it necessary for that purpose. Every such company which shall fail to construct any such platform within 60 days after the service on it of the order of the ~~department~~ *commissioner* requiring such construction, shall forfeit to the state \$25 for each day thereafter that such platform remains unconstructed.

Sec. 47. Minnesota Statutes 1974, Section 219.562, Subdivision 3, is amended to read:

Subd. 3. Should any dispute arise as to the adequacy of the facilities provided for in subdivision 1, it may be submitted for final determination to the ~~public service commissioner~~ *commissioner* after notice of the hearing to affected parties.

Sec. 48. Minnesota Statutes 1974, Section 219.65, is amended to read:

219.65 [CARS IN TRAIN; POWERS OF COMMISSIONER.] The ~~department~~ *commissioner* may from time to time after full hearing and for good cause shown increase the minimum percentage of cars in a train required to be operated by power or train brakes, and a failure to comply with any requirement of the ~~department~~ *commissioner* shall be subject to a like penalty as a failure to comply with any requirement of sections 219.58 to 219.66.

Sec. 49. Minnesota Statutes, 1975 Supplement, Section 219.662, Subdivision 5, is amended to read:

Subd. 5. Each such railroad shall notify the ~~department of public service commissioner~~ of the date that each such locomotive comes into compliance with the provisions of this section. The notification shall state the serial number or other identification of the locomotive.

Sec. 50. Minnesota Statutes, 1975 Supplement, Section 219.662, Subdivision 6, is amended to read:

Subd. 6. Each railroad affected by the provisions of this section shall maintain at a designated location a list or schedule of the locomotives hereinabove referred to. It shall set forth, along with other information, the date that the speed indicator or speed recorder referred to herein was calibrated and found to be functioning in accordance with the provisions of this section. It shall advise the ~~department of public service commissioner~~ as to such location.

Sec. 51. Minnesota Statutes, 1975 Supplement, Section 219.662, Subdivision 7, is amended to read:

Subd. 7. The ~~department of public service commissioner~~ shall enforce the provisions of this section and may issue such order or orders as may be proper to require compliance therewith.

Sec. 52. Minnesota Statutes 1974, Section 219.681, is amended to read:

219.681 [REMOVAL OF RAILROAD TRACKS.] No company operating a line of railroad in this state shall abandon, close for traffic, or remove any spur, industrial, team, switching or side track which has been used directly by the shipping public or any member thereof for the loading or unloading of freight without first having obtained the approval of the ~~department~~ *commissioner*.

Sec. 53. Minnesota Statutes 1974, Section 219.70, is amended to read:

219.70 [APPLICATION TO ABANDON.] Any such company desiring to abandon any shop or terminal or move any shop or change the location of any terminal in this state shall first make application to the ~~department~~ *commissioner* in writing. Before passing upon such application the ~~department~~ *commissioner* shall order a public hearing and ~~fix a time and place thereof and require such notice thereof to be given as it deems reasonable in accordance with Minnesota Statutes, Chapter 15~~.

Sec. 54. Minnesota Statutes 1974, Section 219.71, is amended to read:

219.71 [HEARING; ORDER.] In the hearing on the abandonment or removal of a shop or terminal, if ~~it shall be made to appear to the department~~ *commissioner determines* that the abandonment of any shop or terminal or the change of any shop or terminal will result in efficiency in railroad operation and will not substantially injure the public or be detrimental to the public welfare, such petition may be granted, otherwise the same shall be denied.

Sec. 55. Minnesota Statutes 1974, Section 219.741, is amended to read:

219.741 [APPLICATION FOR REMOVAL.] Any railroad company desiring to abandon, close for traffic, or remove any of its tracks described in section 219.681 shall first make application to the department in writing. Before passing upon such application the ~~department~~ *commissioner* shall fix a time and place for hearing and a notice of such hearing shall be served upon all interested persons so far as known to the ~~department~~ *commissioner*.

Sec. 56. Minnesota Statutes 1974, Section 219.742, is amended to read:

219.742 [PROCEDURE; APPEAL.] The procedure before the ~~department~~ *commissioner* and the right of appeal shall be pursuant to and in accordance with Minnesota Statutes ~~1944~~, Chapter ~~216~~, and ~~acts amendatory thereof 15~~.

Sec. 57. Minnesota Statutes 1974, Section 219.751, is amended to read:

219.751 [RESTORATION OF TRACKS FOR SERVICE.] Subdivision 1. When the ~~department~~ *commissioner* is informed of

the abandonment, closing for traffic, or removal of any track in violation of section 219.681, ~~it~~ *he* shall forthwith order the company which has committed such violation to restore such track for service and to resume service thereon, and if such track has been removed, to relay such track.

Subd. 2. When any such company shall fail to obey an order of the ~~department commissioner~~ made pursuant to subdivision 1, the ~~department commissioner~~ , upon verified petition alleging such failure, may apply to the district court of the county in which such company has a principal office, or into which a line of railroad of such company extends, for the enforcement of such order or other appropriate relief. The court, upon such notice as it may direct, shall hear such matter as in case of an appeal from an order. On such hearing the findings of fact upon which such order is based shall be prima facie evidence of the matters therein stated, and the court may grant any provisional or other relief, ordinary or extraordinary, legal or equitable, which the nature of the case may require, and may impose a fine of not more than \$500 for each day's failure to obey any writ, process, or order of the court in addition to all other penalties herein provided. A temporary mandatory or restraining order may be made in such proceeding, notwithstanding any undetermined issue of fact, upon such terms as the court may direct.

Sec. 58. Minnesota Statutes 1974, Section 219.85, is amended to read:

219.85 [RAILROAD STATIONS, AGENCY SERVICE.] Agency service at common carrier railroad stations shall be that required by the public convenience and necessity. No such station shall be abandoned nor agency service thereat reduced or discontinued without the consent of the ~~department of public service commissioner~~ after public notice and hearing. The ~~department commissioner~~ may on ~~its~~ *his* own motion or upon the petition of any interested party order station agency service at any station established, reestablished or expanded after notice and hearing as herein provided. All Hearings ~~provided herein~~ shall be conducted in the same manner as other hearings before ~~said department~~ *the commissioner* with not less than 30 days' notice to such persons and in such a manner as may be prescribed by rule of the ~~department commissioner~~ .

Sec. 59. Minnesota Statutes 1974, Section 219.86, is amended to read:

219.86 [STATION LIGHTS.] The ~~department~~ *is hereby authorized and empowered commissioner may* , on complaint duly made and after hearing, ~~to order that~~ any railroad company operating within the state ~~shall~~ *to* provide or cause to be provided suitable electric lights and lighting in and about every railroad station on its lines in this state, including waiting rooms, offices of employees, and station platforms thereof, and they are hereby required to keep and maintain the lighting system in good and proper repair. In case there is no electric light current or connections within 500 feet from such stations, then and in such case, the

railroad companies shall provide and maintain in good and proper repair and condition, other suitable lighting in and about the railroad stations and platforms.

Sec. 60. Minnesota Statutes 1974, Section 219.87, is amended to read:

219.87 [TOILET ROOMS AT STATIONS.] ~~The department is hereby authorized and empowered~~ *commissioner may*, on complaint duly made, to order that all railroad companies operating within the state shall to provide or cause to be provided suitable toilet rooms in or immediately adjacent to every railroad station waiting room located on its lines in this state, and they are hereby required to maintain and keep these toilet rooms in a good sanitary condition. In case there is no water and sewerage system in towns where railroad station waiting rooms are located, which extends to a point not more than 300 feet distant from such station waiting rooms, then and in such case the railroad companies shall provide and maintain in good sanitary condition, within a reasonable and convenient distance of the station waiting rooms, suitable closet or privy.

Sec. 61. Minnesota Statutes 1974, Section 219.92, is amended to read:

219.92 [NEW ROADS; NOTICE; FILING OF MAPS AND PROFILES.] Every railroad company having constructed any railroad by way of branch or extension or otherwise, before opening the same to public use, shall notify the ~~department~~ *commissioner* that the same is finished and in a safe condition for operation, and shall file with the ~~department~~ *commissioner* a map and profile thereof with table of grades, curvatures, and mileage, and a statement of other characteristics of such road and an itemized statement showing the actual cost thereof; all of the foregoing to be in such form as the ~~department~~ *commissioner* shall prescribe and to be attested by the oath of the president or other managing officer, and the chief engineer of the company.

Before the new line is operated as a public road, the ~~department~~ *commissioner* shall inspect the same, or cause it to be inspected, and furnish the company with a certificate showing compliance with the foregoing conditions, and that the road has been inspected and found to be in safe condition for operation.

When it is found desirable to operate any portion of any new railroad built or any new branch or extension, or otherwise, before completion of the same, the ~~department~~ *commissioner* may, on application, authorize the operation of such portion thereof pending the completion of the entire road under such terms and conditions as the ~~department~~ *commissioner* may impose in the interests of the public.

Sec. 62. Minnesota Statutes 1974, Section 219.93, is amended to read:

219.93 [STOPPING TRAINS AT CROSSINGS.] Every company operating a railroad shall cause all trains on such railroad to come to a full stop not less than 10, nor more than 60, rods, before

reaching any railroad junction or crossing at grade, unless such stoppage is rendered unnecessary by an interlocking plant or other device approved by the written order of the ~~department~~ *commission*, or by the court upon appeal.

Sec. 63. Minnesota Statutes 1974, Section 219.97, Subdivision 2, is amended to read:

Subd. 2. Any railroad company neglecting to comply with any order of the ~~department~~ *commissioner* made under section 219.03 or section 219.04 shall be liable to a penalty of \$25 for each day such neglect shall continue to be recovered in a civil action in the name of the state and paid into the general fund of the state treasury.

Sec. 64. Minnesota Statutes 1974, Section 219.97, Subdivision 12, is amended to read:

Subd. 12. Any carrier failing to comply with the provisions of section 219.92 or with any order of the ~~department~~ *commissioner* made thereunder shall forfeit for each day's default \$100 to be recovered in a civil action in the name of the state of Minnesota.

Sec. 65. Minnesota Statutes 1974, Section 221.011, Subdivision 1, is amended to read:

221.011 [DEFINITIONS.] Subdivision 1. For the purposes of sections ~~221.011 to 221.291~~ *chapter 221*, the terms defined in this section have the meanings given them.

Sec. 66. Minnesota Statutes 1974, Section 221.011, Subdivision 2, is amended to read:

Subd. 2. "Department" means *the department of public service of Minnesota transportation*.

Sec. 67. Minnesota Statutes 1974, Section 221.011, is amended by adding subdivisions to read:

*Subd. 2a. "Commissioner" means the commissioner of transportation.*

*Subd. 2b. "Commission" means the public service commission.*

Sec. 68. Minnesota Statutes 1974, Section 221.011, Subdivision 15, is amended to read:

Subd. 15. "Motor carriers" includes all carriers operating under the authority of sections 221.011 to 221.291 and subject to the ~~regulations of the department~~ *rules or orders of the commissioner or the commission*.

Sec. 69. Minnesota Statutes, 1975 Supplement, Section 221.011, Subdivision 22, is amended to read:

Subd. 22. "Exempt carrier" means any carrier exempt from chapter 221, or *exempted* from any other law or ~~regulation~~ *rule* by the ~~public service commission~~ *commissioner or commission*. The following are so exempt:

(a) Any person engaged in farming or in transporting agricul-

tural, horticultural, dairy, livestock, or other farm products within an area having a 25 mile radius from his home postoffice. Such carrier may transport other commodities within such area if the destination of each haul is a farm within the above described area. The owner of any truck operating under this provision shall imprint his name and address in prominent visible letters on the outside of the cab of his truck.

(b) Any occasional accommodation service beyond the 25 mile radius from his home postoffice by any person engaged in farming as his primary means of livelihood and actually residing on a farm and whose truck or trucks are licensed under provisions of section 168.013, subdivision 1, paragraph 4a. Occasional accommodation service shall mean not in excess of six trips in any calendar year.

(c) Any person engaged in agricultural pursuits, who owns and uses a truck for transporting the products of his farm, or any person while engaged exclusively in the transportation of fresh vegetables from farms to canneries or viner stations, or from viner stations to canneries, or from canneries to canneries during the harvesting, canning or packing season, or potatoes, sugar beets, wild rice and rutabagas from the field of production to the first place of delivery or unloading, including but not limited to a processing plant, warehouse or railroad siding. This term shall also apply to a manufacturer, producer, dealer or distributor who, in the pursuit of his own business, owns and uses trucks for the purpose of transporting his own products, and shall apply to any person while engaged exclusively in the transportation of pulpwood, cord wood, mining timber, poles, posts, decorative evergreens, wood chips, sawdust, shavings and bark from the place where the products are produced to the point where they are to be used or shipped.

(d) Any person while exclusively engaged in the transportation of dirt and sod within an area having a 50 mile radius from his home postoffice.

(e) Any person while exclusively engaged in the transportation of sand or gravel, bituminous asphalt mix and or crushed rock to or from the point of loading or a place of gathering within an area having a 50 mile radius from his home postoffice or a 50 mile radius from the site of construction or maintenance of public roads and streets.

(f) Any person engaged in the transportation of household goods for the federal government or any agency thereof or the transportation of household goods for the state government or any agency thereof, where competitive bids are required by law shall be exempt from the provisions of section 221.161.

(g) Any person engaged in transporting property or freight, excepting household goods and petroleum products in bulk, when the movement is entirely within the corporate limits of a city or between contiguous cities.

(h) Emergency vehicles such as ambulances, tow trucks, and hearses when carrying proper and legal warning devices.

(i) Any person engaged in delivery or spreading of agricultural lime.

(j) Any person engaged in transporting rubbish as defined in section 443.27.

(k) Any person engaged in the transportation of grain samples under such terms and conditions as the ~~department~~ *commissioner or commission* may prescribe.

Sec. 70. Minnesota Statutes 1974, Section 221.021, is amended to read:

221.021 [OPERATION CERTIFICATE OR PERMIT REQUIRED.] No person shall operate as a motor carrier without a certificate or permit in full force and effect with respect to such operation. Any certificate or permit shall be suspended or revoked upon conviction of violating any provision of sections 221.011 to 221.291 or any order, rule or regulation of the ~~department~~ *commissioner or commission* governing the operation of motor carriers, and upon a finding by the court that the violation was wilful, or . The ~~department~~ *commission* may for good cause, after hearing and upon ten days notice to the holder thereof, suspend or revoke any permit for a violation of the provision of the sections noted herein or any order, rule or regulation of the ~~department~~ *commissioner or commission* issued pursuant to the provisions of chapter 221.

Sec. 71. Minnesota Statutes 1974, Section 221.031, Subdivision 1, is amended to read:

221.031 [RULES FOR OPERATION OF MOTOR CARRIERS.] Subdivision 1. The ~~department~~ *commissioner* shall prescribe rules and regulations for operation of all motor carriers, including their facilities, accounts, service, safety of operations and equipment, maximum hours of service of drivers, installation of safety devices and proper automatic speed regulators if, in the opinion of the ~~department~~ *commissioner*, there is a necessity therefor. ~~‡ The commissioner shall direct the repair and reconstruction or replacement of any inadequate or unsafe motor carrier vehicle or facility. The commissioner may require the construction and maintenance or furnishing of suitable and proper freight terminals, passenger depots, waiting rooms and accommodations or shelters in any city in this state or at any point on the highway traversed which the commissioner, after investigation by the department, may deem just and proper for the protection of passengers or property. ‡ The commissioner shall require the filing of annual and other reports including annual accounts of motor carriers, schedules of rates and charges or other data by such motor carriers, regulate such motor carriers in all matters affecting the relationship between them and the traveling and shipping public and prescribe such other rules and regulations as may be necessary to carry out the provisions of this chapter; provided, however, that any motor carrier having gross revenues from all for-hire transportation in any calendar year of less than \$15,000 may, at the discretion of the ~~department~~ *commissioner*, be exempted from the filing of an annual report, if in lieu thereof such motor carrier files~~

an affidavit, in such form as may be prescribed by the ~~department~~ *commissioner*, attesting that said gross revenues have not exceeded \$15,000 in the previous calendar year. Motor carrier gross revenues from for-hire transportation, for the purposes of this subdivision only, shall not include gross revenues received from the operation of school buses as defined in Minnesota Statutes 1967, Section 169.01, Subdivision 6. *The commissioner shall make no rules relating to rates or tariffs, or the granting, limiting or modifying of permits or certificates of convenience and necessity, which powers are granted to the commission pursuant to this act.* The ~~department~~ *commission* may extend the termini of any route or alter or change the route of any regular route common carrier upon petition and after finding that public convenience and necessity require such extension, alteration or change.

Sec. 72. Minnesota Statutes 1974, Section 221.041, is amended to read:

221.041 [RATE-MAKING POWERS.] *Subdivision 1.* The ~~department~~ *commission*, shall fix and establish just, reasonable and non-discriminatory rates, fares, charges, and the rules and classifications incident to tariffs for all regular route common carriers and petroleum carriers. In prescribing such rates, fares, charges, classifications and rules for the carrying of freight, persons or property, the ~~department~~ *commission* shall take into consideration the effect of the proposed rates or fares upon the users of the service and upon competitive carriers by motor vehicle and rail and, insofar as possible, avoid rates and fares which will result in unreasonable and destructive competition. In making its determination, the ~~department~~ *commission* shall consider, among other things, the cost of the service rendered by the carrier, including an adequate sum for maintenance and depreciation, and an adequate operating ratio under honest, economical and efficient management. No such rate or fares shall be put into effect or changed or altered except upon hearing duly had and an order therefor by the ~~department~~ *commission*, or except as herein otherwise provided. The ~~department~~ *commission* may authorize such changes ex parte which, in its opinion, are not of sufficient import to require a hearing. In any emergency, the ~~department~~ *commission* may order a change in existing rates or fares without a hearing. In instances of such ex parte or emergency orders, the ~~department~~ *commission* shall, within five (5) days, serve a copy of its order granting such change in rates upon all parties which the ~~department~~ *commission* deems interested in the matter, including all competing carriers. Any interested party shall have 30 days from the date of the issuance of the order to object to the order. If objection is made, the matter shall be set down for hearing with notice to competing carriers.

*Subd. 2.* No regular route common carrier or petroleum carrier shall charge or receive a greater or less or different compensation for the transportation of passengers or property or for any service in connection therewith than the rates, fares and charges and the rules and classifications governing the same which have been duly approved therefor by order of the ~~department~~ *commission*; nor shall any regular route common carrier or petroleum carrier refund

or remit in any manner or by any device any portion of such rates, fares and charges required to be collected under the ~~department's~~ *commission's* order; nor extend to any shipper or person any privilege or facilities in connection with the transportation of passengers or property except such as are authorized under the order of the ~~department~~ *commission*. No passenger carrying regular route common carrier shall alter or change its time schedules except upon order of the ~~department~~ *commission*. Such order may be issued ex parte unless the ~~department~~ *commission* shall decide that public interest requires that a hearing be had thereon.

Sec. 73. Minnesota Statutes 1974, Section 221.051, is amended to read:

221.051 [ABANDONMENT OR DISCONTINUANCE OF SERVICE.] No regular route common carrier shall abandon or discontinue any service required under its certificate without an order of the ~~department~~ *commission* therefor, except in cases of emergency or conditions beyond its control.

A passenger regular route common carrier may depart from the route over which it is authorized to operate for the purpose of transporting chartered or excursion parties to any point in the state of Minnesota on such terms and conditions as the ~~department~~ *commission* may prescribe.

Sec. 74. Minnesota Statutes, 1975 Supplement, Section 221.061, is amended to read:

221.061 [OPERATION CERTIFICATE FOR REGULAR ROUTE COMMON CARRIER OR PETROLEUM CARRIER.] Any person desiring a certificate authorizing operation as a regular route common carrier or petroleum carrier, or an extension of or amendment to such certificate, shall file a petition therefor with the ~~department~~ *commission*, which *petition* shall contain such information as the ~~department~~ *may, commission* by rule or regulation, *may* prescribe.

Upon the filing of a petition for a certificate, the petitioner shall pay into the state treasury as a fee for the issuance thereof the sum of \$75 and for any transfer or lease of such certificate the sum of \$37.50.

The petition shall be processed as any other petition ~~and~~. The ~~department~~ *commission* shall cause a copy and a notice of hearing thereon to be served upon any competing carrier operating into any city located on the proposed route of the petitioner and to such other persons or bodies politic which the ~~department~~ *commission* deems interested in the petition. Such competing carrier and other persons or bodies politic are hereby declared to be interested parties to the proceedings.

If, during the hearing, an amendment to the petition is proposed which appears to be in the public interest, the ~~department~~ *commission* may allow the same when the issues and the territory are not unduly broadened by the amendment.

Sec. 75. Minnesota Statutes, 1975 Supplement, Section 221.071, is amended to read:

221.071 [ISSUANCE OF CERTIFICATE TO REGULAR ROUTE COMMON CARRIER OR PETROLEUM CARRIER.] If the ~~department shall find~~ *commission finds* from the evidence that the petitioner is fit and able to properly perform the services proposed and that public convenience and necessity requires the granting of the petition or any part thereof, *it shall issue a certificate therefor shall be issued of public convenience and necessity to the petitioner*. In determining whether a certificate should be issued, the ~~department~~ *commission* shall give primary consideration to the interests of the public that might be affected thereby, to the transportation service being furnished by any 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 ~~department~~ *commission* 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 such terms and conditions as in its judgment public convenience and necessity may require.

The ~~department~~ *commission* may grant a temporary certificate, *ex parte*, valid for a period not exceeding six (6) months, upon a showing that no regular route common carrier is then authorized to serve on the route sought ~~where~~, *that there is no other petition on file with the department commission covering said route and it appears that there is need for the proposed service.*

A certificate which has been issued to a regular route common carrier may be amended by the ~~department~~ *commission* on *ex parte* petition and *payment of a fee of \$25* so as to grant an additional or alternate route where there is no other means of transportation over such proposed additional route or between the termini thereon, and such proposed additional route does not exceed ten (10) miles in length.

Sec. 76. Minnesota Statutes 1974, Section 221.081, is amended to read:

221.081 [SALE OR LEASE OF CERTIFICATE OF REGULAR ROUTE COMMON CARRIER OR PETROLEUM CARRIER.] Certificates authorizing operations as a regular route common carrier or as a petroleum carrier may be sold or leased but only upon order of the ~~department~~ *commission* approving the same. The proposed seller and buyer or lessor and lessee of a certificate shall file a joint petition with the ~~department~~ *commission*, setting forth the names and addresses of the parties, the identifying number of the certificate and the description of the authority which the parties seek to sell or lease, a short statement of the reasons for the proposed sale or lease, a short statement of the buyer or lessee's present operating authority, if any, a statement of all outstanding claims of creditors which are directly attributable to the operations conducted under said certificate, a copy of the contract of sale or lease and a financial statement with balance sheet and income statement, if existent, of the buyer. If it appears to the ~~department~~ *commission* from the contents

of the petition and from the department's records and , files *and investigation of the petition* that the approval of the sale or lease of the certificate will not adversely affect the rights of the users of the service and will not have an adverse effect on any other motor carrier, the *department commission* may make an ex parte order granting the same. When the proposed sale or lease is between persons who are direct competitors to a material degree, the petition shall be set down for hearing with notice to the communities which may be affected by the proposed merger and to any other persons the *commission or department* deems to be interested parties.

Sec. 77. Minnesota Statutes 1974, Section 221.091, is amended to read:

221.091 [LIMITATIONS.] No provision in sections 221.011 to 221.291 shall authorize the use by any carrier of any public highway in any city of the first class ; ~~whether organized under the constitution of the state of Minnesota, Article IV, Section 36, or otherwise,~~ in violation of any charter provision or ordinance of such city in effect January 1, 1925, unless and except as such charter provisions or ordinance may be repealed after that date; nor shall sections 221.011 to 221.291 be construed as in any manner taking from or curtailing the right of any city to reasonably regulate or control the routing, parking, speed or the safety of operation of a motor vehicle operated by any carrier under the terms of sections 221.011 to 221.291, or the general police power of any such city over its highways; nor shall sections 221.011 to 221.291 be construed as abrogating any provision of the charter of any such city ~~now organized and operating under said article IV, section 36,~~ requiring certain conditions to be complied with before such carrier can use the highways of such city and such rights and powers herein stated are hereby expressly reserved and granted to such city; but no city shall prohibit or deny the use of the public highways within its territorial boundaries by any such carrier for transportation of passengers or property received within its boundaries to destinations beyond such boundaries, or for transportation of passengers or property from points beyond such boundaries to destinations within the same, or for transportation of passengers or property from points beyond such boundaries through such municipality to points beyond the boundaries of such municipality, where such operation is pursuant to a certificate of convenience and necessity issued by the *department commission* .

Sec. 78. Minnesota Statutes 1974, Section 221.101, is amended to read:

221.101 [ADDITIONAL AUTHORITY TO PETROLEUM CARRIERS.] In addition to the specific authority granted to petroleum carriers, every petroleum carrier holding a certificate as such may transport petroleum products from an origin point he is not authorized to serve when the needs of the shippers he serves because of seasonal failure of supplies require service from such origin point, upon securing permission from the *department*

*commission* , provided that this provision shall not include the right to enlarge the carrier's destination area.

Sec. 79. Minnesota Statutes 1974, Section 221.111, is amended to read:

221.111 [PERMITS TO OTHER MOTOR CARRIERS.] All motor carriers other than the regular route common carriers and petroleum carriers shall obtain a permit from the department of public service in accordance with section 221.121 , including irregular route, livestock, contract and charter carriers, and regular route common carriers and petroleum carriers engaged exclusively in interstate transportation.

Sec. 80. Minnesota Statutes, 1975 Supplement, Section 221.121, is amended to read:

221.121 [PETITION; HEARING; ISSUANCE; RENEWAL.] Subdivision 1. [PERMIT CARRIERS.] Any person desiring to operate hereunder as a permit carrier, except as a livestock carrier, shall file a petition with the department *commission* specifying the kind of permit desired, the name and address of the petitioner, and the names and addresses of the officers, if a corporation, and such other information as the department *commission* may require. The department *commission* , after notice to interested parties and a hearing, shall issue the permit upon compliance with all laws and regulations relating thereto, if it finds that petitioner is fit and able to conduct the proposed operations, that petitioner's vehicles meet the safety standards established by the department, that the area to be served has a need for the transportation services requested in the petition, and that existing permit and certificated carriers in the area to be served have failed to demonstrate that they offer sufficient transportation services to meet fully and adequately such needs, provided that no person who holds a permit at the time sections 221.011 to 221.291 take effect shall be denied a renewal thereof upon compliance with other provisions of sections 221.011 to 221.291. A permit once granted shall continue in full force and effect until abandoned or unless suspended or revoked, subject to compliance by the permit holder with all applicable provisions of law and the rules of the department *commissioner or commission* governing permit carriers. No permit shall be issued to any common carrier by rail, whereby said common carrier will be permitted to operate trucks for hire within this state, nor shall any common carrier by rail be permitted to own, lease, operate, control or have any interest in any permit carrier by truck, either by stock ownership or otherwise, directly, indirectly, through any holding company, or by stockholders or directors in common, or in any other manner. Nothing in sections 221.011 to 221.291 shall prevent the department *commission* from issuing a permit to a common carrier by rail, whereby such carrier will be given authority to operate trucks wholly within the limits of any municipality or within adjacent or contiguous municipalities or a common rate point served by said railroad and which service shall only be a service supplementary to the rail service now established by such carriers.

The department *commission* may grant a temporary permit, ex

parte, valid for a period not exceeding six months upon a showing there is an immediate and urgent need for the proposed service, pending prompt action by the permit holder to follow regular procedure in securing the permit, and that such immediate and urgent authority from the ~~department~~ *commission* is in the public interest. A copy of the order granting such temporary permit, ex parte, shall be mailed immediately to interested parties.

The ~~department~~ *commission* may issue a permit as a contract carrier to such cooperative associations as are described in section 221.011, subdivision 9, notwithstanding the number of its hauling contracts, and provided that such contract carrier shall be permitted to haul its own property.

Subd. 2. [EXTENSIONS OF AUTHORITY.] The ~~department~~ *commission* may grant extensions of authority ex parte after due notice of a petition has been published. Any party desiring to protest the petition must file its protest by mail or in person within 20 days of the date of notice. If a timely filed protest is received, the matter shall be placed on the calendar for hearing. If a timely protest is not received, the ~~department~~ *commission* may issue its order ex parte.

Subd. 3. [LIVESTOCK CARRIERS.] Any person desiring to operate hereunder as a livestock carrier shall file a petition with the ~~department~~ *commission* specifying the kind of permit desired, the name and address of the petitioner, and the names and addresses of the officers, if a corporation, and such other information as the ~~department~~ *commission* may require.

The ~~department~~ *commission* shall issue the permit upon compliance with all laws and regulations relating thereto unless it finds that petitioner's vehicles do not meet the safety standards ~~set up~~ *prescribed* by the ~~department~~ *commission* or that petitioner is not fit and able to conduct the proposed operations. All permits issued hereunder shall be renewed upon compliance with the provisions of this act and the rules of the ~~department~~ *commission*.

Sec. 81. Minnesota Statutes, 1975 Supplement, Section 221.131, is amended to read:

221.131 [PERMITS; TERMS, FEES, IDENTIFICATION CARDS.] Permits issued pursuant to the provisions of sections 221.011 to 221.291 shall be effective for a 12-month period, commencing on the first day of the month of their issuance and shall continue from year to year thereafter upon payment of the required registration fee and compliance otherwise with law. The permit holder shall pay into the treasury of the state of Minnesota a fee of \$25 for each kind of permit, reinstatement, or extension of authority thereof for which a petition is filed, except on annual renewal, pursuant to section 221.121 and a registration fee of \$20 on each vehicle, including pickup and delivery vehicles, operated by him under authority of such permit during said 12-month period or fraction thereof. Trailers used by petitioner in combination with power units shall not be counted as vehicles in the computation of fees under this section, provided

petitioner pays the fees for such power units. The ~~department~~ *commissioner* shall furnish a distinguishing identification card for each vehicle or power unit for which a fee has been paid, which identification card shall at all times be carried in the vehicle or power unit to which it has been assigned. Identification cards may be reassigned to another vehicle or power unit without fee by the ~~department~~ *commissioner* upon petition of the permit holder. Identification cards issued under the provisions of this section shall be good only for the period for which the permit is effective. The name and residence of the permit holder shall be stenciled or otherwise shown on both sides of each registered vehicle operated under his permit. In the event a permit has been suspended or revoked, the ~~department~~ *commissioner* may consider a petition for reinstatement thereof, upon the same procedure required for an original petition, and may, in its discretion, grant or deny the same. Regular route common carriers and petroleum carriers, operating under sections 221.011 to 221.291, shall annually on or before January 1 of each calendar year, pay into the treasury of the state of Minnesota an annual registration fee of \$20 for each vehicle, including pickup and delivery vehicles, operated during any calendar year.

A fee of \$3 shall be charged for the replacement of an unexpired identification card which has been lost or damaged by the owner.

The provisions of this section are limited by the provisions of any applicable federal law.

Sec. 82. Minnesota Statutes, 1975 Supplement, Section 221.141, is amended to read:

221.141 [INSURANCE OR BONDS OF MOTOR CARRIERS.]  
Subdivision 1. Before any certificate or permit shall be issued to any motor carrier, it shall secure and file with the ~~department~~ *commissioner* and keep the same at all times in full effect public liability and indemnity insurance in such amount and in such form as the ~~department~~ *commissioner* shall have prescribed, covering injuries and damage to persons or property occurring on the highways, other than the employees of such motor carrier or the property being transported by such carrier, provided that the ~~department~~ *commissioner* shall require cargo insurance for certificated carriers, except those carrying passengers exclusively, and may require any permit carrier to file such insurance when it deems necessary to protect the users of the service. Such insurance shall be subject to cancellation for nonpayment of premiums or withdrawals from service of a vehicle or vehicles covered thereby upon not less than 30 days' written notice to the insured and to the ~~department~~ *commissioner*. Such insurance or bond may from time to time be reduced or increased by order of the ~~department~~ *commissioner*. The ~~department~~ *commissioner* may, if desired by the petitioner, prescribe in lieu of the bond or insurance such other form of security as may be satisfactory. Failure to maintain any required insurance or security shall void the permit or certificate.

Subd. 2. Notwithstanding the contrary provisions of subdivision 1, if a permit carrier having grandfather rights transfers the same to another and the transferee defaults on his contract and has had a permit voided subsequent to January 1, 1965, solely by reason of failure to keep in effect insurance or other security as required by this section, the permit carrier, being the transferor in the transaction, shall have his permit fully reinstated by the ~~department~~ *commissioner*, together with all operating authority granted theretofore, upon his filing with the ~~department~~ *commissioner*, within 15 days after the effective date of this act, public liability and indemnity insurance or bond in the amount and form as the ~~department~~ *commissioner* prescribes.

Sec. 83. Minnesota Statutes, 1975 Supplement, Section 221.151, is amended to read:

221.151 [PERMITS ASSIGNABLE OR TRANSFERABLE.]  
Subdivision 1. Permits, except livestock permits, issued under the provisions of sections 221.011 to 221.291 may be assigned or transferred but only upon the order of the ~~department~~ *commission* approving same after notice and hearing.

The proposed seller and buyer or lessor and lessee of a permit, except for livestock carrier permits, shall file a joint notarized petition with the ~~department~~ *commission* setting forth the name and address of the parties, the identifying number of the permit and the description of the authority which the parties seek to sell or lease, a short statement of the reasons for the proposed sale or lease, a statement of all outstanding claims of creditors which are directly attributable to the operation to be conducted under said permit, a copy of the contract of sale or lease and financial statement with balance sheet and income statement, if existent, of the buyer or lessee. If it appears to the ~~department~~ *commission*, after notice to interested parties and a hearing, from the contents of the petition, from the evidence produced at the hearing, and the department's records and , files and investigation that the approval of the sale or lease of the permit will not adversely affect the rights of the users of the service and will not have an adverse effect upon any other competing carriers, the ~~department~~ *commission* may make an order granting same. Provided, however, that the ~~department~~ *commission* shall make no order granting the sale or lease of a permit to any person or corporation or association which holds any certificate or permit from the ~~department~~ *commission* pursuant to chapter 221 or to any common carrier by rail.

Provided further that the ~~department~~ *commission* shall make no order approving the sale or lease of a permit if the ~~department~~ *commissioner* finds that the price paid for such sale or lease of a permit is disproportionate to the reasonable value of said permit considering all assets and good will involved. The ~~department~~ *commission* shall approve the sale or lease of a permit only after a finding that the transferee is fit and able to conduct the operations authorized under said permit and that the vehicles he proposes to use in conducting such operations meet the safety standards of the ~~department~~ *commission*. In determining the extent of the operating authority to be conducted by the transferee under the sale or lease of the permit, the past operations of the transferor

within the two year period immediately preceding the transfer shall be considered and only such operating authority shall be granted to the transferee as was actually exercised by the transferor under his authority within the two year period immediately preceding the transfer as evidenced by bills of lading, company records, operation records or other relevant evidence.

If any authority to operate as a permit carrier is held by a corporation, any sale, assignment, pledge or other transfer of such stock interest in the corporation which will accomplish a substantial or material change or transfer of the majority ownership of said corporation, as exercised through its stockholders, shall be reported in the manner prescribed in accordance with the rules and regulations of the ~~department~~ *commission* within 90 days after said sale, assignment, pledge or other transfer of stock. The ~~department~~ *commission* shall then make a finding whether or not said stock transfer does, in fact, constitute a sale, lease or other transfer of the permit of said corporation to a new party or parties and, if they so find, then the continuance of the permit issued to said corporation shall only be upon the corporation's complying with the standards and procedures otherwise imposed by this section.

Subd. 2. The ~~department~~ *commission* shall allow a bona fide transfer of a permit, except a livestock carrier permit, ex parte without hearing where the transferee of said permit is in fact a member or members of the transferor's immediate family. For the purpose of this subdivision immediate family shall consist only of the lawful spouse, adult child or children, brother or sister of the transferor. Provided further that the immediate family as defined in this subdivision shall not include any person under legal disability or any member of the family regardless of relationship who holds any other permit or certificate pursuant to chapter 221 either as an individual or in partnership or as owner of an interest in a corporation holding a permit or a certificate pursuant to chapter 221.

Provided further that the transfer pursuant to this subdivision shall include:

(1) transfer to a corporation the stock of which is wholly owned by the transferor or the members of his immediate family;

(2) transfer to a partnership or partner consisting solely of the immediate family as defined in this subdivision.

Provided further that said transfer of permit, pursuant to this subdivision, shall comply with the standards set forth in this section based upon the contents of the petition of petitioners, all pertinent information available to the ~~department~~ and the ~~department's~~ *commission and the department and their records* and files. No determination of the extent of the operating authority previously exercised shall be required.

If it appears to the ~~department~~ *commission* that said petition and exhibits do not reasonably comply with the standards set

forth in this section, then after notice to interested parties and the petitioners, the ~~department~~ *commission* shall set the matter down for hearing to determine compliance with this section. Any user of the service, competing carrier or interested party shall have the right to file a protest on such transfer as is provided for in this subdivision by filing a sworn statement with the ~~department~~ *commission* within six months from the effective date of said transfer whereupon ~~the department~~ *the commission* shall set the matter down for hearing and the continuance of the permit shall only be upon the transferee's compliance with the standards and procedures otherwise imposed by this section.

Sec. 84. Minnesota Statutes 1974, Section 221.161, is amended to read:

221.161 [SCHEDULE OF RATES AND CHARGES.] Subdivision 1. Every permit carrier including a livestock carrier shall file and maintain with the ~~department~~ *commissioner* a schedule of rates and charges for the transportation of persons or property. The filing with and acceptance by the ~~department~~ *commissioner* of such tariffs, in accordance with ~~its~~ *the* rules and regulations of *relating to* such schedules, shall constitute notice to the public and all interested parties of the contents of such tariffs. All schedules shall be prepared and filed in accordance with the rules and regulations of the ~~department~~ *commissioner*. The ~~department~~ *commissioner* shall not accept for filing schedules which are unjust and unreasonable or unjustly discriminatory or unduly preferential or prejudicial or otherwise in violation of the provisions of this section. If such schedules appear to be unjust or unreasonable or unjustly discriminatory or unduly preferential or prejudicial or otherwise in violation of this section, the ~~department~~ *commission after notification and investigation by the department* may suspend and postpone the effective date of such schedules and assign said schedules for hearing upon notice to the permit carrier filing such proposed schedules and to other interested parties, including users of the service and competitive carriers by motor vehicle and rail. At any such hearing, the burden of proof shall be upon the permit carrier filing the proposed schedule of rates and charges to sustain the validity of the proposed schedule of rates and charges. Schedules of rates and charges for the transportation of livestock shall not be subject to rejection, suspension, or postponement ~~or investigation~~ by the ~~department~~ *as is provided for other schedules of rates and charges commission*, except as is provided in subdivisions 2 and 3. Such tariffs and subsequent supplements thereto or re-issues thereof shall state the effective date thereof, which shall be not less than ten days subsequent to the date of filing, unless such period of time be reduced by special permission of the ~~department~~ *commission*.

Subd. 2. Such tariffs, supplements and re-issues shall be prepared and filed in accordance with rules and regulations to be

promulgated by the ~~department~~ *commissioner*, and any rates or charges including pickup charges named therein shall be subject to complaint to the ~~department~~ *commission* by any interested party, whereupon the ~~department~~ *commission after investigation by the department* by order on not less than ten days' notice may set such complaint for hearing, and if at such hearing the complainant submits facts and evidence sufficient to establish proof that such rates or charges complained of are excessive or noncompensatory, the ~~department~~ *commission* may order such rates or charges canceled, and require the filing of alternative and reasonable rates and charges, the reasonable level of which at such time shall be indicated by the ~~department~~ *commission* in such order.

Subd. 3. Upon the filing of any tariff or subsequent supplement thereto or re-issue thereof, any other carrier shall have the right to petition the ~~department~~ *commission* to suspend the taking effect of the same until opportunity has been had for a hearing on the reasonableness of the rates or charges named therein, as herein provided, and the ~~department~~ *commission* may so suspend if in its judgment the rates or charges complained of are so unreasonably low as to create destructive competitive practices among or jeopardize the economic position of competing carriers. In determining whether the rates or charges are excessive or noncompensatory the ~~department~~ *commission* shall include in its consideration, among other things, the reasonable cost of the services rendered for such transportation, including a reasonable return on the money invested in the business and an adequate sum for maintenance and depreciation of the property used.

Subd. 4. The ~~department~~ *commission* after a suspension and hearing upon a schedule of rates and charges or upon complaint or upon its own initiative, either in extension of any existing complaint or without any complaint whatever, *after department investigation and petition*, and upon notice to the permit carrier or permit carriers proposing a schedule of rates and charges on any single group of related commodities and to the users of the service and competitive carriers by motor vehicle and rail may set down for hearing said schedule of rates and charges maintained or charged by any or all permit carriers; and, upon a finding, after a hearing, that such schedule of rates and charges are unjust or unreasonable or unjustly discriminatory or unduly preferential or prejudicial or otherwise in violation of any of the provisions of this section, the ~~department~~ *commission* may prescribe minimum rates and charges and the rates, rules and practices thereafter to be maintained and applied by such permit carrier or permit carriers. In any such hearing the burden of proof shall be upon the permit carrier or permit carriers whose schedules of rates and charges are under investigation to show that said schedules are not below a minimum reasonable level or are not noncompensatory. Schedules of rates and charges for the transportation of livestock shall not be subject to rejection, suspension, postponement or investigation by the ~~department~~ as is provided for other schedules of rates and charges; *commissioner* except as is provided in subdivisions 2 and 3.

Sec. 85. Minnesota Statutes 1974, Section 221.171, is amended to read:

221.171 [COMPENSATION OF PERMIT CARRIERS FIXED BY SCHEDULES OF RATES AND CHARGES.] No permit carrier shall charge or receive a greater or less or different compensation for the transportation of persons or property or for any service in connection therewith, than the rates and charges named in the carrier's schedule on file and in effect with the ~~department~~ *commissioner* including any rate fixed by the ~~department~~ *commission* under the provisions of section 221.161; nor shall any permit carrier refund or remit in any manner or by any device, directly or indirectly, the rates and charges required to be collected by him under his schedules or under the rates, if any, fixed by the ~~department~~ *commission*.

Sec. 86. Minnesota Statutes 1974, Section 221.181, is amended to read:

221.181 [INTERSTATE CARRIERS; PERMITS, REGULATION.] The ~~department~~ *commissioner or commission*, consistent with their respective powers pursuant to this chapter, shall have the power and authority to grant permits to interstate carriers and to supervise and regulate their operations to the extent that such supervision and regulation constitutes a valid exercise of the police powers of the state.

The issuance, renewal and cancellation of permits to interstate carriers shall follow the same procedure and be based upon the same conditions as herein provided for other permit carriers.

Sec. 87. Minnesota Statutes 1974, Section 221.201, is amended to read:

221.201 [PETITION FOR EXCEPTION.] Any person operating a commercial motor vehicle may apply to the ~~department~~ *commissioner* for an exemption from the restriction imposed by section 221.191. The petition shall set forth good and sufficient reasons why his operation over the highways during the restricted hours constitutes an emergency or necessity justifying exemption. The ~~department~~ *commissioner* shall have the power to issue or refuse to issue the exemption applied for.

Sec. 88. Minnesota Statutes, 1975 Supplement, Section 221.221, is amended to read:

221.221 [ENFORCEMENT POWERS.] Transportation representatives of the department for the purpose of enforcing the provisions of sections 221.011 to 221.291 and the rules and regulations of the ~~department~~ *commissioner and commission* issued pursuant hereto, but for no other purpose, shall have all the powers conferred by law upon police officers. The powers shall include the authority to conduct inspections at designated highway weigh stations, or during stops authorized under section 221.211 or under other appropriate circumstances anywhere within the state for the purpose of viewing log books, chauffeur licenses, health certificates and other documents or equipment required to be maintained within commercial motor vehicles operating in Minnesota pursuant to applicable state motor vehicle carrier laws and regulations. Every ~~transportation representative,~~

before entering upon his duties, shall take and subscribe an oath of office and furnish a bond to the state in the sum of \$2,000, conditioned as provided by section 387.01, to be approved by and filed in the office of the secretary of state.

Sec. 89. Minnesota Statutes 1974, Section 221.231, is amended to read:

221.231 [RECIPROCAL AGREEMENTS.] The department is hereby empowered to ~~commissioner~~ may enter into reciprocal agreements with the regulatory bodies of other states and the provinces of the dominion of Canada, whereby the payment of the vehicle fee provided in section 221.131 hereof may be waived in whole or in part as to residents of or corporations or partnerships having an established place of business in the state or province, entering into the reciprocal agreement with the ~~department commissioner~~, provided that reciprocal privileges are extended under such agreement to residents of this state and to corporations or partnerships who have an established place of business in this state.

Sec. 90. Minnesota Statutes 1974, Section 221.261, is amended to read:

221.261 [COMPLAINTS, ACTION IN DISTRICT COURT.] An action or proceeding may be instituted, upon verified complaint of the ~~department commissioner~~ or any interested person in any district court of any county wherein a motor carrier has a principal office or into which its route extends, for the enforcement of any provision of sections 221.011 to 221.291, or any order, rule or directive of the ~~department commissioner or commission~~ herein authorized, and the court may grant provisional or other relief, ordinary or extraordinary, legal or equitable, which the nature of the case may require, including temporary mandatory or restraining orders. Except when there is a constitutional right to trial by jury not expressly waived, all such proceedings shall be tried summarily by the court and such matters shall take precedent over all other matters except criminal cases.

Sec. 91. Minnesota Statutes 1974, Section 221.271, is amended to read:

221.271 [MOTOR CARRIERS, LIABILITY.] Any motor carrier which shall do or cause to be done any unlawful act as herein provided, or fail to perform any duty prescribed, or violate any duly establishing order, rule or directive of the ~~department commissioner or commission~~, or which shall aid or abet in the performance of any unlawful act or in the failure to perform any such duty, shall be liable in damages to any person injured thereby, and such person, if he recovers, shall be allowed, in addition to damages, reasonable attorneys' fees, together with costs and disbursements.

Sec. 92. Minnesota Statutes 1974, Section 221.281, is amended to read:

221.281 [VIOLATIONS, PENALTIES.] Any regular route common carrier or petroleum carrier, or any officer, agent or employee of any such carrier, failing to comply with any final order, decision, rule, regulation or directive, or any part or provision thereof, of the ~~department~~ *commissioner or commission*, or any provision of sections 221.011 to 221.296, shall be subject to a penalty of \$50 for each and every day of such failure, to be recovered for the state in a civil action brought by the ~~department~~ *commissioner*. Any such carrier granting any special rate, rebate, drawback, or directly or indirectly charging, demanding, or collecting a greater or less compensation than provided by its regular established schedule of rates and charges, shall be punished by a fine not exceeding \$5,000 for each such offense.

Sec. 93. Minnesota Statutes, 1975 Supplement, Section 221.291, is amended to read:

221.291 [MISDEMEANORS, OFFENSES.] Subdivision 1. Any person who commits, procures, aids or abets or conspires to commit, or attempts to commit, aid or abet in the violation of any provision of chapter 221 or any valid order of rule of the ~~department~~ *commissioner or commission* issued hereunder, whether individually or in connection with one or other more persons or as principal, agent, or accessory, shall be guilty of a misdemeanor, and every person who falsely, fraudulently, forcibly, or willfully induces, causes, coerces, requires, permits or directs another to violate any provision of this chapter, is likewise guilty of a misdemeanor. Every district violation shall be a separate offense.

Subd. 2. Any person employing or otherwise directing the driver of any vehicle to require or knowingly to permit the operation of the vehicle upon a highway in any manner contrary to chapter 221 is guilty of a misdemeanor.

Sec. 94. Minnesota Statutes, 1975 Supplement, Section 221.293, is amended to read:

221.293 [VIOLATIONS; COMPLAINT, HEARING, CEASE AND DESIST ORDERS.] Where any provisions of this chapter or any order adopted thereunder or any rule of the ~~department~~ *commissioner or commission* has been violated, the ~~department~~ *commissioner* upon complaint being filed with ~~it~~ *him* or on ~~its~~ *his* own motion, may issue and serve upon the person engaged in such violation, a complaint stating the charges in that respect, and containing a notice of a hearing upon a day and at a place therein fixed at least ten days after the service of the complaint and notice requiring the person so complained of to appear at the time and place fixed in the notice of hearing and show cause why an order should not be entered by the ~~department~~ *commissioner* requiring such person to cease and desist from the violation alleged. If upon such hearing the ~~department~~ *commissioner* shall find that any of the violations alleged in the order to show cause are true, ~~it~~ *he* shall so find and shall issue and cause to be served upon such person an order requiring such person to cease and desist from such violation. The district court, upon petition, may enforce

such cease and desist order by injunction or other appropriate writ or proceedings.

Sec. 95. Minnesota Statutes 1974, Section 221.295, is amended to read:

221.295 [NOTICE TO METROPOLITAN TRANSIT COMMISSION.] Notwithstanding any provision of any statute to the contrary, the metropolitan transit commission shall be notified by the ~~public service commission~~ *commissioner* of any matter pertaining to or affecting public transit or an existing or proposed transit system within the Twin Cities metropolitan transit area, which matter is formally or informally before the ~~public service commission~~ *commissioner or commission* 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 in all cases be given in a manner, at such time, and with such information and data available to the ~~public service commission~~ *commissioner or commission* so as to enable the metropolitan transit commission to meaningfully evaluate, participate in, and comment upon the matter. The ~~public service commission~~ *commissioner or commission* shall not approve, deny, or otherwise attempt to resolve or act upon any such matter until receipt of the comments and advice of the metropolitan transit commission with respect thereto, but if none are received ~~it~~ *they* may act within 30 days after demand therefor upon the metropolitan transit commission, or otherwise by mutual agreement. If the ~~public service commission~~ *commissioner or commission* takes action in any way contrary to or different from the comments and advice of the metropolitan transit commission, ~~it~~ *they* shall specifically state the reasons and factual data for such action.

Sec. 96. Minnesota Statutes 1974, Section 221.296, Subdivision 2, is amended to read:

Subd. 2. [RULES AND REGULATIONS FOR SAFETY AND SERVICE.] The ~~department of public service~~ *commission* shall prescribe rules ~~and regulations~~ for the operation of all local cartage carriers, including their facilities, accounts, service, safety of operation and equipment, maximum hours of service of drivers, installation of safety devices and proper automatic speed regulators if, in the opinion of the ~~department~~ *commission*, there is a necessity therefor. ~~It~~ *The commission* may require the filing of annual and other reports and shall regulate such local cartage carriers in all matters affecting the relationship between them and the shipping public, and prescribe such other rules and regulations as may be necessary to carry out the provisions of this section. The ~~department~~ *commissioner* shall investigate the operation of all local cartage carriers, their compliance with all rules ~~and regulations~~ of the ~~department~~ *commissioner or commission* and with the provisions of this section and may institute and prosecute any and all actions and proceedings in the proper district court for enforcement of the same. The provisions of sections 221.161 and 221.171 do not apply to local cartage carriers. *The commissioner shall make no rules relating to rates or tariffs, or*

*the granting, limiting or modifying of permits or certificates of convenience and necessity, which powers are granted to the commission pursuant to this act.*

Sec. 97. Minnesota Statutes 1974, Section 221.296, Subdivision 3, is amended to read:

Subd. 3. [PERMITS REQUIRED.] No person shall operate a local cartage carrier without a permit in full force and effect with respect to such operation. The ~~department~~ *commission* may revoke or suspend the permit of any local cartage carrier after notice and hearing for violating any provision of this section or any rule or regulation of the *commission* or the department governing local cartage carriers.

Sec. 98. Minnesota Statutes, 1975 Supplement, Section 221.296, Subdivision 4, is amended to read:

Subd. 4. [PETITION FOR PERMITS.] Any person desiring to operate hereunder as a local cartage carrier shall file a petition with the ~~department~~ *commission* specifying the service offered, the name and address of the petitioner, and the names and addresses of the officers, if a corporation, and such other information as the ~~department~~ *commission* may require. The ~~department~~ *board*, after notice to interested parties and a hearing, shall issue the permit upon compliance with all laws and regulations relating thereto unless it finds that the area to be served has a sufficient number of local cartage carriers to fully and adequately meet the needs of such area or that the petitioners' vehicles do not meet the safety standards set up by the ~~department~~ *commission*, or that petitioner is not fit and able to conduct the proposed operations. A permit once granted shall continue in full force and effect until abandoned or unless suspended or revoked, subject to compliance by the permit holder with all applicable provisions of law and rules of the ~~department~~ *commission* governing local cartage carriers.

Sec. 99. Minnesota Statutes, 1975 Supplement, Section 221.296, Subdivision 5, is amended to read:

Subd. 5. [PERMIT FEES.] Upon filing of a petition for a permit the petitioner shall pay to the state treasury as a fee for the issuance thereof the sum of \$50, and shall thereafter pay an annual renewal fee of \$75 plus \$5 per motor vehicle if the local cartage carrier operates less than five motor vehicles, or \$100 plus \$5 per motor vehicle if the local cartage carrier operates at least five but less than 15 motor vehicles, or \$150 plus \$5 per motor vehicle if the local cartage carrier operates 15 or more vehicles provided that said \$5 per motor vehicle charge shall not apply to taxicabs operated pursuant to a local cartage permit. Upon issuance of the permit the ~~department~~ *commissioner* shall assign the carrier a permit number, which shall be painted or prominently displayed on both sides of all vehicles used by the local cartage carrier under authority of said permit.

Sec. 100. Minnesota Statutes 1974, Section 221.296, Subdivision 6, is amended to read:

Subd. 6. [BONDS.] Local cartage carriers shall comply with the requirements of section 221.141, and before any such permit shall be issued to a local cartage carrier or renewed, such carrier shall secure and file with the ~~department~~ *commissioner* and keep the same at all times in full effect, a third party liability bond with corporate surety in the amount of \$5,000 conditional, to pay to the owner all damages to the property being transported by such carrier and all other liabilities to the consignor or consignee arising from the transportation, including conversions of money or property; provided, however, that the aggregate liability of the surety for all breaches of the conditions of the bond shall, in no event, exceed the amount of such bond.

Sec. 101. Minnesota Statutes 1974, Section 221.296, Subdivision 7, is amended to read:

Subd. 7. [LIMITATIONS.] Nothing in this section shall be construed in any manner as taking from or curtailing the right of any city to reasonably regulate or control the routing, parking, speed or the safety of operation of any motor vehicle operated by local cartage carriers, nor the general police powers of any city of its highways, nor as abrogating any provision of the charter of any city requiring conditions to be complied with before such local cartage carrier can use the highways of such city, and such rights and powers hereby stated are reserved and granted to such city; but no city shall prohibit or deny the use of the public highways within its territorial boundaries by any local cartage carrier for the transportation of property received within its boundaries to destinations beyond such boundaries, or for the transportation of property from points beyond such boundaries to destinations within the same, or for transporting property from points beyond such boundaries through such municipality to points beyond the boundaries of such municipality, where such operation is pursuant to a permit issued by the department *pursuant to an order of the commission*.

Sec. 102. Minnesota Statutes, 1975 Supplement, Section 221.296, Subdivision 8, is amended to read:

Subd. 8. [PERMITS TRANSFERABLE.] Permits, issued under the provisions of section 221.296 may be transferred but only upon the order of the ~~department~~ *commission* approving same after notice and hearing.

The proposed seller and buyer of a permit, shall file a joint verified petition with the ~~department~~ *commission* setting forth the legal name and address of the parties, the permit number and the description of the authority which the parties seek to sell, a verified statement of the reasons for the proposed sale, a verified statement of all outstanding claims of creditors which are attributable to the business conducted under said permit, a copy of the contract of sale and financial statement with balance sheet and income statement, if existent, of the buyer and the seller. After notice to interested parties and a hearing the ~~department~~ *commission* shall not make an order approving and allowing the sale unless the ~~department~~ *commission* finds that

the buyer is fit and able to conduct the business authorized under said permit, that the vehicles he proposes to use in conducting such business meet the safety standards of the department, that the price paid for the purchase of the permit is not disproportionate to the reasonable value of the permit considering all assets and good will sold, that the proposed sale is in the best interest of the shipping public, and that the seller has legally engaged in the transportation of property or freight for hire on a meaningful basis as determined by the commission within the two year period immediately preceding the sale as proven by accurate and complete bills of lading, company records, operation records, or other relevant evidence. For purposes of determining said two year period, any divesting of interest or control shall be deemed the date of the sale and the ~~department~~ *commission* shall look to the substance of the transaction rather than the form. Any agreement for the transfer or sale of a permit shall be reported and filed with the ~~department~~ *commission* within 30 days of such agreement.

If any authority to operate as a local cartage carrier, is held by a corporation, any sale, assignment, pledge or other transfer of such stock interest in the corporation which will accomplish a substantial or material change or transfer of the majority ownership of said corporation, as exercised through its stockholders, shall be reported in the manner prescribed ~~in accordance with~~ *by* the rules and regulations of the ~~department~~ *commission*, within 30 days after said sale, assignment, pledge or other transfer of stock. The ~~department~~ *commission* shall then make a finding whether or not said stock transfer does, in fact, constitute a sale, or other transfer of the permit of said corporation to a new party or parties and, if they so find, then the continuance of the permit issued to said corporation shall only be upon the corporation's complying with the standards and procedures otherwise imposed by this section.

The ~~department~~ *commission* shall allow a bona fide transfer of a permit, ex parte without hearing where the transferee of said permit is in fact a member or members of the transferor's immediate family. For the purpose of this paragraph immediate family shall consist only of the lawful spouse, adult child or children, brother or sister of the transferor. A transfer pursuant to this paragraph shall include:

- (1) transfer to a corporation the stock of which is wholly owned by the transferor or the members of his immediate family.
- (2) transfer to a partnership or partner consisting solely of the immediate family as defined in this paragraph.

Sec. 103. Minnesota Statutes 1974, Section 221.55, is amended to read:

221.55 [CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY.] No person or corporation shall engage in the transportation described in section 221.54 without a certificate of public convenience and necessity from the ~~department of~~ *public service*

of Minnesota *commission* authorizing such operation. Such certificate shall be issued by the ~~department~~ *commission* pursuant to application, notice and hearing as provided in sections 221.061 and 221.071, and the issuance of certificates and the transportation covered thereby shall be governed by the provisions of such sections and by sections 221.031, 221.041, 221.051 and 221.081, applying to auto transportation companies, insofar as such provisions are not inconsistent with sections 221.54 and 221.55.

Sec. 104. Minnesota Statutes 1974, Section 221.61, is amended to read:

221.61 [NECESSITY OF OBTAINING FEDERAL AUTHORITY; REGISTRATION OF AUTHORITY.] It shall be unlawful for any motor carrier to perform any act of transportation in interstate commerce for hire upon the public highways of this state requiring authority therefor from the interstate commerce commission pursuant to the provisions of the federal motor carrier act or any amendment thereof without having first obtained such authority and without first having registered such authority with the ~~department~~ of *public service commissioner*.

Sec. 105. Minnesota Statutes 1974, Section 221.62, is amended to read:

221.62 [EXEMPT INTERSTATE CARRIERS; REGISTRATION OF EXEMPTION AUTHORITY.] It shall be unlawful for any carrier engaged in interstate commerce exempt from seeking appropriate authority for transportation service from the interstate commerce commission, if written authority for such exemption is provided for by the interstate commerce act, to perform any transportation service for compensation upon the public highways of this state without first having registered such written authority for exemption with the ~~department~~ of *public service commissioner*.

Sec. 106. Minnesota Statutes 1974, Section 221.63, is amended to read:

221.63 [AFFIDAVIT OF EXEMPTION.] In any case where the interstate commerce act exempts any carrier engaged in interstate commerce for hire from the necessity of procuring authority for any transportation service from the interstate commerce commission and does not provide for written authority for such exemption, such exempted carrier shall file with the ~~department~~ of *public service commissioner* a sworn affidavit disclosing the fact of the exemption and specifying the nature of the commodity carried and the specific nature of the service offered before performing any such interstate transportation service for compensation upon the public highways of this state. Such affidavit shall be executed by the individual owner of the carrier, or if such carrier be a partnership, by one of the partners, or if a corporation, by an officer or managing agent thereof.

Sec. 107. Minnesota Statutes, 1975 Supplement, Section 221.64, is amended to read:

221.64 [REGISTRATION FEE; EXEMPTIONS.] Such registration as herein provided shall be granted upon petition, without

hearing, upon payment of an initial filing fee in the amount of \$25. Upon petition, and payment of said fee if applicable, the ~~department of public service~~ commissioner shall furnish to the registration holder a distinguishing identification stamp for each motor vehicle included in said registration which stamp shall at all times be carried in the registered vehicle of the registration holder. For each identification stamp issued, the ~~department~~ commissioner shall collect a fee of \$5 to be deposited in the state treasury, provided that a lesser fee may be collected pursuant to the terms of reciprocal agreements between the ~~department~~ commissioner and the regulatory bodies of other states or provinces of the dominion of Canada.

Sec. 108. Minnesota Statutes 1974, Section 221.65, is amended to read:

221.65 [RECIPROCAL AGREEMENTS.] Nothing in sections 221.61 to 221.68 shall be construed to impair the authority of the ~~department of public service~~ commissioner to enter into reciprocal agreements with the regulatory bodies of other states and the provinces of the Dominion of Canada, as provided in Minnesota Statutes 1961, Section 221.231.

*For the purposes of section 221.231, the commissioner shall be deemed to be the successor of the department of public service. The commissioner may exercise any power, duty or function heretofore conferred by law or agreement upon the department of public service to the extent necessary to preserve any reciprocal agreement heretofore concluded under the provisions of section 221.231. Nothing in this section shall be construed to prevent the negotiation of new or replacement agreements as conditions and circumstances may warrant.*

Sec. 109. Minnesota Statutes 1974, Section 221.66, is amended to read:

221.66 [ENFORCEMENT.] If any motor carrier operates in violation of any provision of sections 221.61 to 221.68, the ~~department of public service~~ commissioner or its *his* duly authorized agent or any carrier or other interested person may institute an action or proceeding upon verified complaint in any district court of any county wherein such motor carrier has designated a resident agent for service of process, or in the district court of Ramsey county, for enforcement of any provisions of sections 221.61 to 221.68 and enjoining upon such motor carrier obedience to sections 221.61 to 221.68. The court may grant provisional or other relief, ordinary or extraordinary, legal or equitable, which the nature of the case may require, including temporary or mandatory restraining orders or injunctions.

Sec. 110. Minnesota Statutes 1974, Section 221.68, is amended to read:

221.68 [VIOLATIONS; PENALTIES.] Any person who violates or procures, aids, or abets violation of, or fails to comply with, the provisions of sections 221.61 to 221.68 or any valid order

or rule of the ~~department of public service~~ *commissioner of public service* ~~commissioner~~ or *commission* issued hereunder shall be guilty of a misdemeanor; and, additionally, shall be subject to a penalty of \$50 for each and every day of such failure to so comply, to be recovered for the state in a civil action. Each distinct violation shall be a separate offense.

Sec. 111. Minnesota Statutes 1974, Section 222.01, is amended to read:

222.01 [SALE AND LEASE OF AIR RIGHTS AFFECTING PUBLIC SERVICE CORPORATIONS.] Before any air rights over or affecting the property or easements of any railway company or other public utility company are leased, sold, acquired or used, application shall be made to the ~~department of public service~~ *commissioner of transportation* for permission to acquire or use such rights and . The said ~~department~~ *commissioner* is hereby authorized to hear said application and to determine whether or not such permission shall be granted; provided, that in all cases where said air rights are within the corporate limits of cities of the first class, said rights shall only be acquired, held or used with the consent of the common council or other governing body of such city.

Sec. 112. Minnesota Statutes 1974, Section 222.34, is amended to read:

222.34 [LAND GRANT RAILROAD COMPANIES.] Every land grant railroad company shall keep at some public office within this state the originals, or copies, of all books, papers, and records of every description relating to lands sold, contracted, encumbered, or owned by it, so as to show clearly all material matters connected with its grant and the management of its lands. Such books and papers shall be open to inspection by the commissioner of finance, ~~department of public service~~ *the commissioner of transportation* , or any agent appointed by the governor for that purpose. Every such corporation failing to comply with the provisions of this section and section 222.33 shall forfeit to the state \$500 for each month it shall fail to maintain the offices specified therein or either of them. Proceedings to recover such forfeiture shall be prosecuted by the attorney general in the name of the state.

Sec. 113. Minnesota Statutes 1974, Section 222.38, is amended to read:

222.38 [IN CITIES OF FIRST CLASS; POWERS AND DUTIES.] In every city of this state, now or hereafter having a population exceeding 50,000, into or through which two or more commercial steam railways may pass, and in which each or two or more of such commercial steam railways may maintain separate and independent passenger stations at different points within such city, or in which the union passenger depot facilities furnished and provided by such railways are insufficient and inadequate to meet the needs and comfort, or insure the safety, health, and convenience of the traveling public, a body corporate may be formed for the purpose of supplying the means

and doing the work necessary to acquire sufficient lands, and of erecting, constructing, and maintaining a union passenger depot, so situated, as to location, and of such dimensions, and so equipped, as to adequately meet all the reasonable requirements of passengers entering or departing from such city over any of such commercial steam railways.

Any such corporation, when organized pursuant to the power hereby granted, shall possess all the rights, powers and privileges, and be subject to all the duties and liabilities of railway corporations under the laws of this state, and shall also be subject to the regulation and control of the ~~department of public service~~ *commissioner of transportation* as provided in sections 222.39 to 222.45.

Sec. 114. Minnesota Statutes 1974, Section 222.40, is amended to read:

222.40 [MAPS, PLATS, AND DRAWINGS; DUTIES OF COMMISSIONER.] When a corporation has been organized by complying with the foregoing provisions it shall, within three months thereafter cause to be filed with the ~~department~~ *commissioner of transportation* maps, plats, and drawings showing the real property to be taken by said corporation for its use, also the location, dimensions, and general plans of the building, sheds, tracks, and approaches to be built by said corporation on the lands so designated. The ~~department~~ *commissioner* shall thereupon examine the maps, plans, and drawings for the purpose of determining whether they meet the reasonable requirements of the city for the purpose of a union depot, and shall, within 30 days after the filing, render a decision thereon. In case the ~~department~~ *commissioner* shall find the maps, plans, and drawings inadequate for the purposes herein provided, it shall so find and point out in detail such inadequacies; and the corporation shall, within 60 days thereafter, so alter its plans and drawings as to conform to the direction of the ~~department~~ *commissioner*; and when so altered to comply with such direction, the ~~department~~ *commissioner* shall thereupon forthwith issue an order ~~under its seal~~ approving ~~of~~ the maps, plats, and drawings; and thereupon such corporation may exercise the powers, rights, and privileges herein conferred to the exclusion of all other persons or corporations.

Sec. 115. Minnesota Statutes 1974, Section 222.41, is amended to read:

222.41 [INADEQUATE FACILITIES; COMPLAINT BY RAILROAD; POWERS OF COMMISSIONER AND DISTRICT COURT.] If, at any time after such union depot shall be completed and opened for the use of the railroads and the public, any railroad using the same shall claim that the facilities afforded it by the corporation, maintaining any such union depot, are inadequate for the proper discharge of its business as a public carrier, it shall make a complaint in writing, specifying the particulars of its claim, and file the same with the ~~department~~ *commissioner*, who shall thereupon give notice by mailing a copy of such complaint to the corporation operating and maintaining any such union depot;

Within 20 days after the service of such complaint by the ~~department~~ *commissioner*, the corporation maintaining any such union depot shall make and file its answer thereto with the ~~department~~ *commissioner*, and thereupon the matter shall be at issue and ready for a hearing before and determination by the ~~department~~ *commissioner*;

If, upon a hearing the charges shall be sustained, the ~~department~~ *commissioner* shall thereupon make an order directing such changes to be made as will meet the requirements of the business of the complaining railroad;

In case any corporation maintaining such union depot shall fail, for 30 days after notice of such order, to begin the changes ordered by the ~~department~~ *commissioner*, the district court of the county within which any such union depot is located, shall have jurisdiction to compel the corporation to comply with the order or orders of the ~~department~~ *commissioner*.

Sec. 116. Minnesota Statutes 1974, Section 222.44, is amended to read:

222.44 [RATES TO BE PAID BY RAILROADS; POWER OF COMMISSIONER; PAYMENTS.] Each railway making use of such union passenger depot shall pay for its use, to the corporation maintaining the same, in proportion to the amount or extent of such use which shall be computed upon a wheelage basis, or such other basis as the ~~department~~ *commissioner* may determine as just and reasonable.

In the use of any such union depot all commercial ~~steam~~ railways shall stand upon an equal right as to any such use, and any favoritism to, or discrimination against, any railway company in that respect is hereby expressly forbidden and declared to be unlawful.

The rate or rates to be paid by any and all of the railroads for the use of such union depot shall be fixed and determined by the ~~department~~ *commissioner*, and shall be computed by it on such a basis as will produce, in the aggregate, a sum sufficient to pay the interest upon the bonds issued and secured by trust deeds or mortgages on the property of any such corporation; the cost of operation, maintenance, repairs and renewals; all taxes, assessments, or charges, either levied or assessed by the public authorities on said property; and a dividend upon the par value of the capital stock of any such corporation not exceeding six percent per annum.

In addition to the foregoing, there shall be set aside each year out of the earnings of the corporation, a sum not exceeding two percent of the bonded indebtedness as a sinking fund.

On the first day of each month, or as soon thereafter as may be practicable, any such union depot company shall furnish each railroad, using the facilities of such union depot, with a statement of account, showing the sums due by it for the previous month on the basis fixed by the ~~department~~ *commissioner*, and the sum so due from each railroad to such union depot company for such use for such preceding month, shall be due and payable on or before

the twentieth of the month in which such statement is rendered, and shall be paid by each railroad to such union depot company.

Sec. 117. Minnesota Statutes 1974, Section 222.45, is amended to read:

222.45 [RAILROAD FAILING TO USE; POWERS AND DUTIES OF COMMISSIONER AND ATTORNEY GENERAL.] If any railroad entering into or passing through any city wherein a union depot has been built pursuant to sections 222.38 to 222.45, shall neglect or refuse to use the same upon the terms and conditions prescribed in sections 222.38 to 222.45, such neglect or refusal shall be made known in writing by such union depot corporation to the ~~department~~ *commissioner*, who shall thereupon order the railroad complained against to show cause before ~~it~~ *him* why an order should not be issued by ~~it~~ *the commissioner* requiring the railroad to make use of such union depot according to the provisions of sections 222.38 to 222.45, and any such union depot company shall also be given notice of the time and place of such hearing. If, at the time and place so fixed, it shall appear that facilities have been provided by such union depot company for use of such union depot by such railroad, and that such facilities are reasonably adequate to care for the business of the railroad, then the ~~department~~ *commissioner* shall ~~make its order in writing, under its seal, requiring~~ the railroad to make exclusive use of the union depot according to the intent and purpose of sections 222.38 to 222.45.

If such railroad shall neglect or refuse to obey the order of the ~~department~~ *commissioner*, the ~~department~~ *commissioner* shall certify the facts in such case to the attorney general, and thereupon it shall be the duty of the attorney general to proceed against such railroad in the district court of the county in which such union depot may be located, to compel performance by such railroad of such order by appropriate proceeding.

Sec. 118. Minnesota Statutes 1974, Section 360.017, Subdivision 1, is amended to read:

360.017 [STATE AIRPORTS FUND.] Subdivision 1. [CREATION.] There is hereby created a fund to be known as the state airports fund. Such fund shall consist of all moneys appropriated to it, or directed to be paid into it, by the legislature. The state airports fund shall be paid out on authorization of the commissioner and shall be used to acquire, construct, improve, maintain, and operate airports and other air navigation facilities and to assist municipalities in the acquisition, construction, improvement, and maintenance of airports and other air navigation facilities. *Salaries and expenses in the department of transportation related to aeronautic planning, administration and operation shall be paid from the state airports fund.*

Sec. 119. [REPEALER.] *Minnesota Statutes 1974, Sections 161.02; 161.03; 169.27; 218.051; 218.061; and 360.014, are repealed.*

Sec. 120. [APPROPRIATION.] *There is hereby appropriated \$150,000 from the general fund to the commissioner of transportation to be available to him upon appointment to organize the department and to initiate the study required by section 3, subdivision 3, clause (d), of this act. This appropriation shall not cancel at the end of the fiscal year but shall be available for the next fiscal year.*

Sec. 121. [EFFECTIVE DATE.] *Section 2, subdivision 1, of this act is effective July 1, 1976. The remaining provisions of this act, except as otherwise provided in this section, are effective upon the appointment of the commissioner. Former departments or agencies shall continue to exercise their functions, powers and duties which are transferred by this act until the commissioner notifies the commissioner of administration that the department of transportation is ready to commence operation. In the initial organization of the department the commissioner shall designate an organizational steering committee consisting of representatives from the departments of administration, aeronautics, highways, public service and the state planning and energy agencies to assist him in the initial organization of the department."*

Further, delete the title in its entirety and insert the following:

"A bill for an act relating to state government; creating a department of transportation; prescribing its powers, duties and functions; transferring certain functions of the department of aeronautics, highways and public service; transferring certain functions of the public service commission; appropriating money; amending Minnesota Statutes 1974, Sections 216A.05; 216A.06; 216A.07; 216A.08; 218.011; 218.021; 218.025; 218.031, as amended; 218.041; 218.071; 219.03; 219.04; 219.14; 219.17; 219.19; 219.20; 219.23; 219.24; 219.25; 219.26; 219.27; 219.28; 219.383; 219.401; 219.41; 219.42; 219.43; 219.46, Subdivisions 1, 4 and 7; 219.47; 219.51; 219.52; 219.54; 219.55; 219.562, Subdivision 3; 219.65; 219.681; 219.70; 219.71; 219.741; 219.742; 219.751; 219.85; 219.86; 219.87; 219.92; 219.93; 219.97, Subdivisions 2 and 12; 221.011, Subdivisions 1, 2, 15, and by adding subdivisions; 221.021; 221.031, Subdivision 1; 221.041; 221.051; 221.081; 221.091; 221.101; 221.111; 221.161; 221.171; 221.181; 221.201; 221.231; 221.261; 221.271; 221.281; 221.295; 221.296, Subdivisions 2, 3, 6 and 7; 221.55; 221.61; 221.62; 221.63; 221.65; 221.66; 221.68; 222.01; 222.34; 222.38; 222.40; 222.41; 222.44; 222.45; 360.017, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Sections 43.09, Subdivision 2a; 219.39; 219.40; 219.662, Subdivisions 5, 6 and 7; 221.011, Subdivision 22; 221.061; 221.071; 221.121; 221.131; 221.141; 221.151; 221.221; 221.291; 221.293; 221.296, Subdivisions 4, 5 and 8; and 221.64; repealing Minnesota Statutes 1974, Sections 161.02; 161.03; 169.27; 218.051; 218.061; and 360.014."

And when so amended the bill do pass and be re-referred to the Committee on Transportation and General Legislation. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 634: A bill for an act relating to corrections; sentencing and post conviction disposition of criminal offenders; transferring the powers and duties of the Minnesota corrections authority to the commissioner of corrections; abolishing the Minnesota corrections authority; providing for determinate sentencing; providing for rehabilitation of criminal offenders by means of a mutual agreement program; appropriating money; amending Minnesota Statutes 1974, Sections 152.15; 242.02; 242.03; 242.09; 242.10; 242.13; 242.18; 242.19; 242.20; 242.21; 242.24; 242.25; 242.26; 242.27; 242.30; 242.34; 242.35; 609.02, Subdivision 2; 609.03; 609.135, Subdivision 1; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.185; 609.19; 609.195; 609.20; 609.205; 609.21; 609.215; 609.225; 609.235; 609.24; 609.245; 609.25, Subdivision 2; 609.255; 609.26; 609.27, Subdivision 2; 609.291; 609.292; 609.293, Subdivisions 2, 3 and 4; 609.295; 609.296; 609.31; 609.32; 609.355, Subdivision 2; 609.365; 609.375, Subdivision 2; 609.39; 609.395; 609.405, Subdivision 2; 609.42, Subdivision 1; 609.425; 609.445; 609.455; 609.465; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.52, Subdivisions 2 and 3; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.56; 609.565; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.61; 609.615; 609.62, Subdivision 2; 609.625; 609.63; 609.635; 609.64; 609.645; 609.65; 609.67, Subdivision 2; 609.71; 609.713; 609.785; 609.82; 609.825, Subdivision 2; 609.83; repealing Minnesota Statutes 1974, Sections 241.045; 241.25; 241.26; 241.31; 241.32; 242.22; 242.46; 243.05; 243.07; 243.09; 243.10; 243.12; 243.13; 243.14; 246.43; 609.10; 609.11; 609.115; 609.116; 609.12; 609.13, Subdivision 1; 609.155; and 609.16.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 152.15, is amended to read:

Subdivision 1. Any person who violates section 152.09, subdivision 1, clause (1) with respect to:

(1) A controlled substance classified in Schedule I or II which is a narcotic drug, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than 15 years or fined not more than \$25,000, or both for a first violation, and for a second or subsequent violation, upon conviction, shall be imprisoned for not less than one year nor more than 30 years or fined not more than \$50,000, or both 12 years ;~~

(2) Any other controlled substance classified in Schedule I, II, or III, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than five years, fined not more than \$15,000, or both for a first violation, and for a second or subse-~~

~~quent violation, upon conviction shall be imprisoned for not less than one year nor more than ten years or fined not more than \$30,000, or both four years ;~~

(3) A substance classified in Schedule IV, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than three years, fined not more than \$10,000, or both for a first violation and for a second or subsequent violation, upon conviction, shall be imprisoned for not less than six months nor more than six years or fined not more than \$20,000, or both two years ;~~

(4) A substance classified in Schedule V, is guilty of a crime and upon conviction may be imprisoned for not more than one year, fined not more than \$1,000, or both;

(5) The distribution of a small amount of marijuana for no remuneration, shall be treated as provided in subdivision 2, clause (5).

Subd. 2. Any person who violates section 152.09, subdivision 1, clause (2), with respect to:

(1) A controlled substance classified in Schedule I or II which is a narcotic drug, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than five years or fined not more than \$5,000, or both two years ;~~

(2) Any other controlled substance classified in Schedule I, II, III, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than three years, fined not more than \$3,000, or both one year ;~~

(3) A substance classified in Schedule IV, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than three years, fined not more than \$3,000, or both one year ;~~

(4) A substance classified in Schedule V, is guilty of a crime and upon conviction may be imprisoned for not more than one year, fined not more than \$1,000, or both; provided, however, that any person convicted under this section of possessing a substance classified under Schedule V or a small amount of marijuana, and placed on probation may be required to take part in a drug education program as specified by the court;

(5) A small amount of marijuana is guilty of a misdemeanor. A subsequent violation of this clause within one year is a misdemeanor, and a person so convicted may be required to participate in a medical evaluation. A person who is the owner of a private motor vehicle, or the driver of the motor vehicle if the owner is not present, and who possesses on his person or knowingly keeps or allows to be kept in a motor vehicle within the area of the vehicle normally occupied by the driver or passengers more than .05 ounce of marijuana is guilty of a misdemeanor. This area of the vehicle shall not include the trunk of the motor vehicle when such vehicle is equipped with a trunk or another area of the vehicle not normally occupied by the driver or passengers if the vehicle is not

equipped with a trunk. A utility or glove compartment shall be deemed to be within the area occupied by the driver and passengers.

Subd. 3. Any person who violates section 152.09, subdivision 2, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than four years; or fined not more than \$30,000; or both two years~~.

Subd. 4. Any person 18 years of age or over who violates section 152.09, subdivision 1, clause (1), by distributing a controlled substance listed in Schedules I or II which is a narcotic drug to a person under 18 years of age who is at least three years his junior ~~is punishable shall be punished by the fine authorized by section 152.15, subdivision 1, clause (1), by a term of imprisonment of up to twice that authorized by section 152.15, subdivision 1, clause (1) or by both~~. Any person 18 years of age or over who violates section 152.09, subdivision 1, by distributing any other controlled substance listed in Schedules I, II, III, IV, and V, except marijuana, to a person under 18 years of age who is at least three years his junior ~~is punishable shall be punished by the fine authorized by section 152.15, subdivision 1, clauses (2), (3), or (4), by a term of imprisonment up to twice that authorized required by section 152.15, subdivision 1, clauses (2), (3), or (4) ; or both~~.

Subd. 5. Any person convicted of a second or subsequent offense under Laws 1971, Chapter 937, ~~except as provided in subdivision 1, clauses (1), (2), (3) and (5) may be imprisoned for a term up to twice the term otherwise authorized; fined an amount up to twice that otherwise authorized; or both~~.

Sec. 2. [DEFINITIONS.] *Subdivision 1. For purposes of sections 2 to 8, the following terms have the meanings given them.*

Subd. 2. "Inmate" means any person convicted of a felony.

Subd. 3. "Commissioner" means the commissioner of corrections or his designee.

Subd. 4. "Correctional institution" means any institution under the operational authority of the commissioner of corrections.

Sec. 3. [DETERMINATE SENTENCING.] *After a person has been found guilty of a crime punishable as a felony, and the person has been sentenced for the term provided for that felony, the court shall immediately place the person in the custody of the commissioner.*

Sec. 4. [MUTUAL AGREEMENT PROGRAMS.] *The commissioner of corrections shall draft, at the request of an inmate and within 90 days after assuming custody of the inmate, a mutual agreement program. The mutual agreement program shall be drafted after a post-conviction investigation of the inmate has been made by the commissioner. In drafting a mutual agreement program, the commissioner shall also refer to any presentence investigation which has been made of the inmate. The agreement shall provide the following:*

(a) A program of vocational or educational training with specific chronological and achievement objectives, including completion of specified educational and vocational programs; but the program may not include rehabilitative or therapeutic objectives;

(b) Frequent and regular evaluation of the inmate by the commissioner; and

(c) A consideration of any educational qualifications or skills of the inmate when specifying certain types of work expectations.

In addition, the agreement may specify participation of the inmate in non-institutional or extra-institutional programs.

The inmate may decline to enter into the agreement. Whether or not an inmate consents to participate in a mutual agreement program, he shall serve the sentence imposed by the sentencing court, reduced by good time credited.

Sec. 5. [MUTUAL AGREEMENT PROGRAM; INMATE'S RIGHTS.] *Subdivision 1. The inmate shall have the right to appeal to the commissioner if he believes the terms of his agreement have been violated. The commissioner shall promptly investigate any appeal filed under this subdivision and shall take appropriate action if he determines the terms of the mutual agreement program have been violated.*

*Subd. 2. The inmate and his counsel shall be informed of and have the right to inspect the inmate's records, including any evaluations of his progress in fulfilling the terms of his mutual agreement program.*

Sec. 6. [GOOD TIME.] *By December 31, 1976, the commissioner shall promulgate, pursuant to chapter 15, rules relating to inmate conduct, specifying offenses which may result in denial of "good time" and the amount of "good time" which may be denied as a result of each offense. Each sentence imposed for a felony offense shall be reduced in duration by one day for each day during which the inmate violates no "good time" rules as promulgated by the commissioner. In no case shall an individual offense result in the denial of more than 30 days of "good time". In no case shall "good time" earned be taken away. The denial of "good time" shall be considered to be a disciplinary measure taken against an inmate, and the procedure for denial of "good time" and the inmate's rights in that process shall be those in effect for disciplinary procedures in each correctional institution on March 1, 1976.*

Sec. 7. [POST-RELEASE PROGRAMS.] *Upon the completion of the term to which an inmate is sentenced, as reduced by "good time" earned, the commissioner shall offer to the inmate a voluntary program not to exceed six months designed to facilitate reintegration of the inmate into society. The program may include such assistance as aid in finding employment and housing.*

Sec. 8. [RULES.] *The commissioner shall, pursuant to chapter 15, promulgate all rules necessary to implement this act.*

Sec. 9. [241.046] [TRANSFER OF POWERS AND DUTIES FROM MINNESOTA CORRECTIONS AUTHORITY.] *Subdivision 1. Except as provided in this section, the provisions of sections 1 to 91 shall not apply to persons sentenced on or before December 31, 1976.*

*Subd. 2. The Minnesota corrections authority shall retain all powers and duties vested in and imposed upon it through December 30, 1978, with relation to persons sentenced on or before December 31, 1976. On December 31, 1978, all the powers and duties vested in and imposed upon the Minnesota corrections authority as then constituted, including but not limited to those relating to the disposition of persons committed to the authority by the district courts of this state and issuing final discharge to persons convicted of crime and committed to the authority, shall be transferred to and imposed upon the commissioner of corrections, and the corrections authority shall be abolished.*

*Subd. 3. The provisions of sections 1 to 91 shall apply to all persons convicted of a felony and sentenced pursuant to that conviction after December 31, 1976.*

*Subd. 4. Nothing in sections 1 to 91 shall be deemed to limit the powers and duties otherwise provided by law to the commissioner of corrections with regard to the management of penal institutions or the disposition of inmates unless those powers and duties are inconsistent with the provisions of sections 1 to 91, in which case those powers and duties shall be superseded by the provisions of sections 1 to 91.*

*Subd. 5. All references in Minnesota Statutes to the Minnesota corrections authority relating to persons committed to the authority by the district courts of this state shall, on and after December 31, 1978, be deemed to refer to the commissioner of corrections.*

*Subd. 6. The Minnesota corrections authority shall take into consideration the sentence terms and sentence reductions provided in sections 1 to 91, and the penal philosophy therein embodied in its deliberations relative to parole, probation, release, or other disposition of inmates sentenced on or before December 31, 1976.*

Sec. 10. Minnesota Statutes 1974, Section 609.02, Subdivision 8, is amended to read:

Subd. 8. [GREAT BODILY HARM.] "Great bodily harm" means bodily injury which creates a high probability of death, or which causes serious permanent disfigurement, or which causes a permanent or protracted loss or impairment of the function of any bodily member or organ ~~or other serious bodily harm~~.

Sec. 11. Minnesota Statutes 1974, Section 609.03, is amended to read:

609.03 [PUNISHMENT WHEN NOT OTHERWISE FIXED.] If a person is convicted of a crime for which no punishment is otherwise provided he may be sentenced as follows:

(1) If the crime is a felony, to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both two years ; or

(2) If the crime is a gross misdemeanor, to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both; or

(3) If the crime is a misdemeanor, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both; or

(4) If the crime is other than a misdemeanor and a fine is imposed but the amount is not specified, to payment of a fine of not more than \$500, or to imprisonment for a specified term of not more than six months if the fine is not paid.

Sec. 12. Minnesota Statutes 1974, Section 609.10, is amended to read:

609.10 [SENTENCES AVAILABLE.] *Subdivision 1.* 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 maximum term of years fixed by the court; or
- (3) To an indeterminate term of imprisonment which shall be deemed to be for the maximum term authorized by law; or
- (4) To both imprisonment and payment of a fine; or
- (5) To payment of a fine without imprisonment or to imprisonment if the fine is not paid. increase or decrease the statutory time period of the sentence by up to 15 percent. If the length of the sentence imposed is increased or decreased, or consecutive sentences imposed for multiple offenses, the sentencing court shall state the reasons for the increase, decrease, or imposition of consecutive sentences in a memorandum accompanying the imposition of sentence.

*Subd. 2.* An appeal from the trial court to the supreme court of the increased or decreased sentence or consecutive sentences imposed may be filed by a defendant in the following instances:

- (a) After a finding of guilt by a judge or jury following a trial; but no appeal of a sentence imposed following the acceptance of a plea other than "not guilty" shall be permitted;
- (b) After the revocation or modification of an order staying the imposition or execution of a sentence; or
- (c) After a resentence.

*Subd. 3.* The supreme court may review the merits of the sentence imposed to determine whether the sentence is inconsistent with statutory criteria or requirements, is unjustifiably disparate

*in comparison with cases of a similar nature, or is excessive, unreasonable or inappropriate under the circumstances. This power shall be in addition to all other powers of review presently existing or hereafter conferred by law. Upon consideration of the appeal, the supreme court may dismiss the appeal, affirm, reduce, modify, vacate, or set aside the sentence imposed, remand the cause and direct the entry of an appropriate sentence or order, or direct such further proceedings to be had as may be required under the circumstances. The supreme court shall state the reasons for its actions except when the appeal is dismissed or the sentence is affirmed.*

*Subd. 4. The procedure for taking an appeal under this section shall follow the rules of procedure for an appeal to the supreme court. A dismissal of an appeal brought under this section shall not prejudice any aspect of an appeal brought under any other section.*

*Subd. 5. When an appeal is filed, the clerk of the trial court shall certify to the supreme court transcripts of the proceedings, records, reports, documents, and other information relating to the offense of the defendant and to the sentence imposed on him as the supreme court by rule or order may require. Any report or document contained in the record on appeal shall be available to the defendant to the extent that it was available in the trial court.*

*Subd. 6. This section shall not be construed to confer or enlarge any right of a defendant to be released following his conviction pending a determination of his application for leave to appeal or pending an appeal under this section.*

Sec. 13. Minnesota Statutes 1974, Section 609.135, Subdivision 1, is amended to read:

609.135 [STAY OF IMPOSITION OR EXECUTION OF SENTENCE.] Subdivision 1. ~~Except when a sentence of life imprisonment is required by law~~ *Except as herein provided*, any court, ~~including a justice of the peace to the extent otherwise authorized by law,~~ may stay imposition or execution of sentence and place the defendant on probation with or without supervision and on such terms as the court may prescribe. The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony, by the commissioner of corrections, or in any case by some other suitable and consenting person.

*The execution or imposition of sentence may not be stayed upon the conviction for a felony offense involving death, or great bodily harm as defined in section 10 of this act or during the commission of which the offender is armed with a firearm or involving sexual penetration as defined in Minnesota Statutes, 1975 Supplement, Section 609.341, Subdivision 12, or in any case in which the defendant is convicted of a third felony offense within a ten year period.*

Sec. 14. Minnesota Statutes 1974, Section 609.145, Subdivision 1, is amended to read:

609.145 [CREDIT FOR PRIOR IMPRISONMENT.] Subdivision 1. When a person has been imprisoned pursuant to a conviction which is set aside and is thereafter convicted of a crime growing out of the same act or omission, the ~~maximum~~ period of imprisonment to which he ~~may be~~ *is* sentenced is reduced by the period of the prior imprisonment and the time earned thereby in diminution of sentence. ~~If sentence is for less than this maximum, the prior imprisonment and time earned in diminution of sentence shall be credited toward the sentence unless the court otherwise directs.~~

Sec. 15. Minnesota Statutes 1974, Section 609.165, Subdivision 2, is amended to read:

Subd. 2. The discharge may be:

(1) By order of the court following stay of sentence or stay of execution of sentence; or

(2) By order of the Minnesota corrections authority prior to expiration of sentence; or

(3) Upon expiration of sentence *as reduced by good time earned, if any.*

Sec. 16. Minnesota Statutes 1974, Section 609.17, Subdivision 4, is amended to read:

Subd. 4. Whoever attempts to commit a crime ~~may~~ *shall* be sentenced as follows:

~~(1) If the maximum sentence provided for the crime is life imprisonment, to not more than 20 years; or~~

~~(2) For any other attempt, to not more than one half of the maximum imprisonment or fine or both provided for the crime attempted; but such maximum in any case shall not be less than imprisonment for 90 days or a fine of \$100.~~

Sec. 17. Minnesota Statutes 1974, Section 609.175, Subdivision 2, is amended to read:

Subd. 2. [TO COMMIT CRIME.] Whoever conspires with another to commit a crime and in furtherance of the conspiracy one or more of the parties does some overt act in furtherance of such conspiracy may be sentenced as follows:

(1) If the crime intended is a misdemeanor, by a sentence to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both; or

(2) If the crime intended is ~~murder in the first degree or treason, to imprisonment for not more than 20 years; or~~

~~(3) If the crime intended is any other a felony or a gross misdemeanor, to imprisonment or to payment of a fine of not more than for one half the imprisonment or fine provided for that felony or gross misdemeanor or both.~~

Sec. 18. Minnesota Statutes, 1975 Supplement, Section 609.185, is amended to read:

609.185 [MURDER IN THE FIRST DEGREE.] Whoever does either of the following is guilty of murder in the first degree and shall be sentenced to ~~imprisonment for life~~ *a term of 20 years* :

(1) Causes the death of a human being with premeditation and with intent to effect the death of such person or of another; or

(2) Causes the death of a human being while committing or attempting to commit criminal sexual conduct in the first or second degree with force or violence, either upon or affecting such person or another.

Sec. 19. Minnesota Statutes 1974, Section 609.19, is amended to read:

609.19 [MURDER IN THE SECOND DEGREE.] Whoever causes the death of a human being with intent to effect the death of such person or another, but without premeditation, is guilty of murder in the second degree and ~~may shall~~ be sentenced to imprisonment for ~~not more than 40~~ *16* years.

Sec. 20. Minnesota Statutes 1974, Section 609.195, is amended to read:

609.195 [MURDER IN THE THIRD DEGREE.] Whoever, without intent to effect the death of any person, causes the death of another by either of the following means, is guilty of murder in the third degree and ~~may shall~~ be sentenced to imprisonment for ~~not more than 25~~ *ten* years:

(1) Perpetrates an act eminently dangerous to others and evincing a depraved mind, regardless of human life; or

(2) Commits or attempts to commit a felony upon or affecting the person whose death was caused or another, except rape or sodomy with force or violence within the meaning of section 609.185.

Sec. 21. Minnesota Statutes 1974, Section 609.20, is amended to read:

609.20 [MANSLAUGHTER IN THE FIRST DEGREE.] Whoever does any of the following is guilty of manslaughter in the first degree and ~~may shall~~ be sentenced to imprisonment for ~~not more than 15 years or to payment of a fine of not more than \$15,000, or both six years~~ :

(1) Intentionally causes the death of another person in the heat of passion provoked by such words or acts of another as would provoke a person ~~or~~ *of* ordinary self-control under like circumstances; or

(2) Causes the death of another in committing or attempting to commit a crime with such force and violence that death of

or great bodily harm to any person was reasonably foreseeable, and murder in the first or second degree was not committed thereby; or

(3) Intentionally causes the death of another person because the actor is coerced by threats made by someone other than his co-conspirator and which cause him reasonably to believe that his act is the only means of preventing imminent death to himself or another.

Sec. 22. Minnesota Statutes 1974, Section 609.205, is amended to read:

609.205 [MANSLAUGHTER IN THE SECOND DEGREE.] Whoever causes the death of another by any of the following means is guilty of manslaughter in the second degree and ~~may~~ *shall* be sentenced to imprisonment for ~~not more than seven years or to payment of a fine of not more than \$7,000, or both three years :~~

(1) By his culpable negligence whereby he creates an unreasonable risk, and consciously takes chances of causing death or great bodily harm to another; or

(2) By shooting another with a firearm or other dangerous weapon as a result of negligently believing him to be a deer or other animal; or

(3) By setting a spring gun, pit fall, deadfall, snare, or other like dangerous weapon or device; or

(4) By negligently or intentionally permitting any animal, known by him to have vicious propensities, to go at large, or negligently failing to keep it properly confined, and the victim was not at fault.

Sec. 23. Minnesota Statutes 1974, Section 609.21, is amended to read:

609.21 [CRIMINAL NEGLIGENCE RESULTING IN DEATH.] Whoever operates a vehicle as defined in Minnesota Statutes, Section 169.01, Subdivision 2, or an aircraft or watercraft, in a grossly negligent manner and thereby causes the death of a human being not constituting murder or manslaughter is guilty of criminal negligence in the operation of a vehicle resulting in death and ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years .~~

Sec. 24. Minnesota Statutes 1974, Section 609.215, is amended to read:

609.215 [SUICIDE.] Subdivision 1. [AIDING SUICIDE.] Whoever intentionally advises, encourages, or assists another in taking his own life ~~may shall~~ be sentenced to imprisonment for ~~not more than 15 years or to payment of a fine of not more than \$15,000, or both six years .~~

Subd. 2. [AIDING ATTEMPTED SUICIDE.] Whoever intentionally advises, encourages, or assists another who attempts but fails to take his own life ~~may shall~~ be sentenced to imprisonment for ~~not more than seven years or to payment of a fine of not more than \$7,000, or both three years~~ .

Sec. 25. Minnesota Statutes 1974, Section 609.225, is amended to read:

609.225 [AGGRAVATED ASSAULT.] Subdivision 1. Whoever assaults another and inflicts great bodily harm ~~may shall~~ be sentenced to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~ .

Subd. 2. Whoever assaults another with a dangerous weapon but without inflicting great bodily harm ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ .

Sec. 26. Minnesota Statutes 1974, Section 609.235, is amended to read:

609.235 [USE OF DRUGS TO INJURE OR FACILITATE CRIME.] Whoever administers to another or causes another to take any poisonous, stupefying, overpowering, narcotic or anesthetic substance with intent thereby to injure or to facilitate the commission of a crime ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ .

Sec. 27. Minnesota Statutes 1974, Section 609.24, is amended to read:

609.24 [SIMPLE ROBBERY.] Whoever, knowing he is not entitled thereto, takes personal property from the person or in the presence of another and uses or threatens the imminent use of force against any person to overcome his resistance or powers of resistance to, or to compel acquiescence in, the taking or carrying away of the property is guilty of robbery and ~~may shall~~ be sentenced to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~ .

Sec. 28. Minnesota Statutes 1974, Section 609.245, is amended to read:

609.245 [AGGRAVATED ROBBERY.] Whoever, while committing a robbery, is armed with a dangerous weapon or inflicts bodily harm upon another is guilty of aggravated robbery and ~~may shall~~ be sentenced to imprisonment for ~~not more than 20 years or to payment of a fine of not more than \$20,000, or both eight years~~ .

Sec. 29. Minnesota Statutes 1974, Section 609.25, Subdivision 2, is amended to read:

Subd. 2. [SENTENCE.] Whoever violates subdivision 1 ~~may shall~~ be sentenced as follows:

(1) If the victim is released in a safe place without great bodily harm, to imprisonment for ~~not more than 20 years or to payment of a fine of not more than \$20,000, or both eight years ;~~ or

(2) Otherwise to imprisonment for ~~not more than 40 years or to payment of a fine of not more than \$40,000, or both 16 years .~~

Sec. 30. Minnesota Statutes 1974, Section 609.255, is amended to read:

609.255 [FALSE IMPRISONMENT.] Whoever, knowing he has no lawful authority to do so, intentionally confines or restrains a child not his own under the age of 18 years without his parent's or legal custodian's consent, or any other person without his consent, is guilty of false imprisonment and ~~may shall~~ be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year .~~

Sec. 31. Minnesota Statutes 1974, Section 609.26, is amended to read:

609.26 [DETAINING OWN CHILD.] Whoever intentionally detains his own child under the age of 18 years outside the state of Minnesota, with intent to deny another's rights under an existing court order ~~may shall~~ be sentenced to imprisonment for ~~not more than two years or to payment of a fine of not more than \$2,000, or both one year .~~

Sec. 32. Minnesota Statutes 1974, Section 609.27, Subdivision 2, is amended to read:

Subd. 2. [SENTENCE.] Whoever violates subdivision 1 ~~may shall~~ be sentenced as follows:

(1) To imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both if neither the pecuniary gain received by the violator nor the loss suffered by the person threatened or another as a result of the threat exceeds \$100, or the benefits received or harm sustained are not susceptible of pecuniary measurement; or

(2) To imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years ,~~ if such pecuniary gain or loss is more than \$100 but less than \$2,500; or

(3) To imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years ,~~ if such pecuniary gain or loss is \$2,500, or more.

Sec. 33. Minnesota Statutes 1974, Section 609.293, Subdivision 2, is amended to read:

Subd. 2. [AGGRAVATED SODOMY.] Whoever under any of the following circumstances commits an act of sodomy upon another or causes him to participate in any act of sodomy, without the other's consent, commits aggravated sodomy and ~~may shall~~ be sentenced to imprisonment for ~~not more than 30~~ 12 years:

- (1) The victim's resistance is overcome by force; or
- (2) The victim's resistance is prevented by reasonable fear of immediate and great bodily harm to the victim or another; or
- (3) The victim is unconscious, physically powerless to resist, or incapable of giving consent through mental illness or defect and the condition is known or reasonably should have been known to the actor.

Sec. 34. Minnesota Statutes 1974, Section 609.293, Subdivision 3, is amended to read:

Subd. 3. [SODOMY.] Whoever commits an act of sodomy upon another or causes him to participate in an act of sodomy, with the other's consent obtained under any of the following circumstances ~~may~~ *shall* be sentenced to imprisonment ~~for not more than~~ *ten* four years.

- (1) He misleads the victim as to the nature of this act being committed; or
- (2) The victim's will to resist is destroyed by drug or intoxicant and the condition is known or reasonably should have been known to the actor.

Sec. 35. Minnesota Statutes 1974, Section 609.293, Subdivision 4, is amended to read:

Subd. 4. [SODOMY UPON OR WITH CHILD.] Whoever commits an act of sodomy upon or with any child under the age of 18 years, not his spouse, whether or not the act is also a violation of subdivision 2 or 3 and notwithstanding the consent of the child, ~~may~~ *shall* be sentenced as follows:

- (1) If the child is under the age of ten years, to imprisonment for ~~not more than~~ *30* 12 years; or
- (2) If the child is ten years of age but under the age of 14 years, to imprisonment for ~~not more than~~ *20* eight years; or
- (3) If the child is over the age of 14 years, to imprisonment for ~~not more than~~ *10* four years.

Sec. 36. Minnesota Statutes 1974, Section 609.31, is amended to read:

609.31 [LEAVING THE STATE TO EVADE ESTABLISHMENT OF PATERNITY.] Whoever with intent to evade proceedings to establish his paternity leaves the state knowing that a woman with whom he has had sexual intercourse is pregnant or has given birth within the previous 60 days to a living child ~~may~~ *shall* be sentenced to imprisonment for ~~not more than two~~ *one* year or to payment of a fine of ~~not more than~~ *\$2,000*, or ~~both~~ *one* year.

Sec. 37. Minnesota Statutes 1974, Section 609.32, is amended to read:

609.32 [PROSTITUTION.] Subdivision 1. [DEFINITIONS.]  
(1) "Prostitution" means engaging or offering or agreeing to

engage for hire in sexual intercourse, as defined in section 609.29, or sodomy as defined in section 609.293, subdivision 1.

(2) A "place of prostitution" is a house or other place where prostitution is practiced or from which prostitution is promoted.

Subd. 2. [ACTS PROHIBITED.] Whoever intentionally does any of the following ~~may shall~~ be sentenced to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~ :

(1) Solicits or induces another under the age of 18 years to practice prostitution; or

(2) Being a parent, guardian, or other custodian of the person of a child under the age of 18 years consents to his being taken or detained for the purposes of prostitution.

Subd. 3. [OTHER ACTS PROHIBITED.] Whoever intentionally does any of the following ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ :

(1) Keeps a place of prostitution; or

(2) Leases or otherwise permits premises owned by him or under his control to be used as a place of prostitution; or

(3) Solicits or induces another over the age of 18 years to practice prostitution; or

(4) Solicits another under the age of 18 years to have sexual intercourse or to commit sodomy with a prostitute or admits him to a place of prostitution; or

(5) Engages as a prostitute in an act of sexual intercourse or sodomy with another under the age of 18 years; or

(6) Transports a prostitute from one place of prostitution within the state to another such place within or without the state, or brings a prostitute into the state, for the purpose of prostitution.

Subd. 4. [FURTHER ACTS PROHIBITED.] Whoever intentionally does any of the following may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both:

(1) Engages in prostitution; or

(2) Is supported in whole or in part by the earnings of a prostitute; or

(3) Solicits for a prostitute, directs, takes, or transports another to a prostitute or place of prostitution, or brings a prostitute to him, for the purpose of sexual intercourse or sodomy with a prostitute.

(4) Hires or offers or agrees to hire another person to engage in sexual intercourse or sodomy.

Sec. 38. Minnesota Statutes, 1975 Supplement, Section 609.342, is amended to read:

**609.342 [CRIMINAL SEXUAL CONDUCT IN THE FIRST DEGREE.]** A person is guilty of criminal sexual conduct in the first degree and may *shall* be sentenced to imprisonment for ~~not more than 20~~ *eight* years, if he engages in sexual penetration with another person and if any of the following circumstances exists:

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

(b) The complainant is at least 13 but less than 16 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 coerce the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

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

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

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

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

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

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

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

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

Sec. 39. Minnesota Statutes, 1975 Supplement, Section 609.343, is amended to read:

**609.343 [CRIMINAL SEXUAL CONDUCT IN THE SECOND DEGREE.]** A person is guilty of criminal sexual conduct in the

second degree and ~~may~~ *shall* be sentenced to imprisonment for ~~not more than 15~~ six years if he engages in sexual contact with another person and if any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; 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 and in a position of authority over the complainant, and uses this authority to coerce the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

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

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

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

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

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

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

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

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

Sec. 40. Minnesota Statutes, 1975 Supplement, Section 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~~ *shall* be sentenced to imprisonment for ~~not more than ten~~ four years, 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 and not in a position of authority over 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.

Sec. 41. Minnesota Statutes, 1975 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 shall~~ be sentenced to imprisonment for ~~not more than five two~~ years, 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 no less 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; 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 coerce 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 reasonably 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.

Sec. 42. Minnesota Statutes 1974, Section 609.355, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever does any of the following is guilty of bigamy and ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ :

(1) Contracts a marriage in this state with knowledge that his prior marriage is not dissolved; or

(2) Contracts a marriage in this state with knowledge that the prior marriage of the person he marries is not dissolved; or

(3) Cohabits in this state with a person whom he married outside this state with knowledge that his own prior marriage has not been dissolved or with knowledge that the prior marriage of the person he married has not been dissolved.

Sec. 43. Minnesota Statutes 1974, Section 609.365, is amended to read:

609.365 [INCEST.] Whoever has sexual intercourse with another nearer of kin to him than first cousin, computed by rules of the civil law, whether of the half or the whole blood, with knowledge of the relationship, is guilty of incest and *may shall* be sentenced to imprisonment for ~~not more than ten~~ *four* years.

Sec. 44. Minnesota Statutes 1974, Section 609.375, Subdivision 2, is amended to read:

Subd. 2. If the knowing omission and failure without lawful excuse to provide care and support to a minor child or a pregnant wife continues for a period in excess of 90 days such person is guilty of a felony and *may shall* be sentenced to imprisonment for ~~not more than five~~ *two* years.

Sec. 45. Minnesota Statutes 1974, Section 609.39, is amended to read:

609.39 [MISPRISION OF TREASON.] Whoever, owing allegiance to this state and having knowledge of the commission of treason against this state, does not, as soon as may be, disclose and make known the same to the governor or a judge of the supreme court or of the district court, is guilty of misprision of treason against this state and *may shall* be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both~~ *two years* .

Sec. 46. Minnesota Statutes 1974, Section 609.395, is amended to read:

609.395 [STATE MILITARY FORCES; INTERFERING WITH, OBSTRUCTING, OR OTHER.] Whoever, when the United States is at war, does either of the following *may shall* be sentenced to imprisonment for ~~not more than 20 years or to payment of a fine of not more than \$20,000, or both~~ *eight years* :

(1) Intentionally makes or conveys false reports or statements with intent to interfere with the operation or success of the military or naval forces of this state; or

(2) Intentionally causes or incites insubordination, disloyalty, mutiny, or refusal of duty in the military or naval forces of this state, or obstructs the recruiting or enlistment service of this state.

Sec. 47. Minnesota Statutes 1974, Section 609.405, Subdivision 2, is amended to read:

Subd. 2. [ACTS PROHIBITED.] Whoever does any of the

following ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ :

(1) Orally or by means of writing advocates or promotes the doctrine of criminal syndicalism; or

(2) Intentionally organizes or becomes a member of any assembly, group, or organization which he knows is advocating or promoting the doctrine of criminal syndicalism; or

(3) For or on behalf of another person, distributes, sells, publishes, or publicly displays any writing, which is intended by that person to be used to, and which does, advocate or promote the doctrine of criminal syndicalism.

Sec. 48. Minnesota Statutes 1974, Section 609.42, Subdivision 1, is amended to read:

609.42 [BRIBERY.] Subdivision 1. [ACTS CONSTITUTING.] Whoever does any of the following is guilty of bribery and ~~may shall~~ be sentenced to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~ :

(1) Offers, gives, or promises to give, directly or indirectly, to any public officer or employee any benefit, reward or consideration to which he is not legally entitled with intent thereby to influence such officer or employee with respect to the performance of his powers or duties as such officer or employee; or

(2) Being a public officer or employee, requests, receives or agrees to receive, directly or indirectly, any such benefit, reward or consideration upon the understanding that he will be so influenced; or

(3) Offers, gives, or promises to give, directly or indirectly any such benefit, reward, or consideration to a witness or one who is about to become a witness in a proceeding before a judicial or hearing officer, with intent that his testimony be influenced thereby, or that he will absent himself from the proceeding; or

(4) By any other means induces a witness or one who is about to become a witness to withhold his true testimony or to absent himself from the proceeding; or

(5) Is, or is about to become such witness and requests, receives, or agrees to receive, directly or indirectly, any such benefit, reward, or consideration upon the understanding that his testimony will be so influenced, or that he will absent himself from the proceeding; or

(6) Accepts directly or indirectly a benefit, reward or consideration upon an agreement or understanding, express or implied, that he will refrain from giving information that may lead to the prosecution of a crime or purported crime or that he will abstain from, discontinue, or delay prosecution therefor, except in a case where a compromise is allowed by law.

Sec. 49. Minnesota Statutes 1974, Section 609.425, is amended to read:

609.425 [CORRUPTLY INFLUENCING LEGISLATOR.] Whoever by menace, deception, concealment of facts, or other corrupt means, attempts to influence the vote or other performance of duty of any member of the legislature or person elected there-to ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years .~~

Sec. 50. Minnesota Statutes 1974, Section 609.445, is amended to read:

609.445 [FAILURE TO PAY OVER STATE FUNDS.] Whoever receives money on behalf of or for the account of the state or any of its agencies or subdivisions and intentionally refuses or omits to pay the same to the state or its agency or subdivision entitled thereto, or to an officer or agent authorized to receive the same, ~~may shall~~ be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year .~~

Sec. 51. Minnesota Statutes 1974, Section 609.455, is amended to read:

609.455 [PERMITTING FALSE CLAIMS AGAINST GOVERNMENT.] A public officer or employee who audits, allows, or pays any claim or demand made upon the state or subdivision thereof or other governmental instrumentality within the state which he knows is false or fraudulent in whole or in part, ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years .~~

Sec. 52. Minnesota Statutes 1974, Section 609.465, is amended to read:

609.465 [PRESENTING FALSE CLAIMS TO PUBLIC OFFICER OR BODY.] Whoever, with intent to defraud, presents a claim or demand, which to his knowledge is false in whole or in part, for audit, allowance or payment to a public officer or body authorized to make such audit, allowance or payment is guilty of an attempt to commit theft of public funds and ~~may shall~~ be sentenced accordingly.

Sec. 53. Minnesota Statutes 1974, Section 609.48, Subdivision 1, is amended to read:

609.48 [PERJURY.] Subdivision 1. [ACTS CONSTITUTING.] Whoever makes a false material statement which he does not believe to be true in any of the following cases is guilty of perjury and ~~may shall~~ be sentenced as provided in subdivision 4:

(1) In or for an action, hearing or proceeding of any kind in which the statement is required or authorized by law to be made under oath or affirmation; or

(2) In any writing which is required or authorized by law to be under oath or affirmation; or

(3) In any other case in which the penalties for perjury are imposed by law and no specific sentence is otherwise provided.

Sec. 54. Minnesota Statutes 1974, Section 609.48, Subdivision 4, is amended to read:

Subd. 4. [SENTENCE.] Whoever violates this section ~~may~~ *shall* be sentenced as follows:

(1) If the false statement was made upon the trial of a felony charge, or upon an application for an explosives license or use permit, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ ; or

(2) In all other cases, to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year~~ .

Sec. 55. Minnesota Statutes 1974, Section 609.485, Subdivision 4, is amended to read:

Subd. 4. [SENTENCE.] Whoever violates this section ~~may~~ *shall* be sentenced as follows:

(1) If the person who escapes is in lawful custody on a charge or conviction of a felony, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ .

(2) If such charge or conviction is for a gross misdemeanor, to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both.

(3) If such charge or conviction is for a misdemeanor, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both.

(4) If the escape was effected by violence or threat of violence against a person, the sentence ~~may~~ *shall* be increased to ~~not more than twice those permitted in clauses (1), (2), and (3)~~ .

(5) Unless a concurrent term is specified by the court, a sentence under this section shall be consecutive to any sentence previously imposed or which may be imposed for any crime or offense for which the person was in custody when he escaped.

Sec. 56. Minnesota Statutes 1974, Section 609.495, Subdivision 1, is amended to read:

609.495 [AIDING AN OFFENDER TO AVOID ARREST.] Subdivision 1. Whoever harbors, conceals or aids another known by him to have committed a felony under the laws of this or another state or of the United States with intent that such offender shall avoid or escape from arrest, trial, conviction, or punishment, ~~may~~ *shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year~~ .

Sec. 57. Minnesota Statutes, 1975 Supplement, Section 609.52, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING THEFT.] Whoever does

any of the following commits theft and ~~may~~ *shall* be sentenced as provided in subdivision 3:

(1) Intentionally and without claim of right takes, uses, transfers, conceals or retains possession of movable property of another without his consent and with intent to deprive the owner permanently of possession of the property; or

(2) Having a legal interest in movable property, intentionally and without consent, takes such property out of the possession of a pledgee or other person having a superior right of possession, with intent thereby to deprive the pledgee or other person permanently of the possession of the property; or

(3) Obtains for himself or another the possession, custody or title to property of a third person by intentionally deceiving him with a false representation which is known to be false, made with intent to defraud, and which does defraud the person to whom it is made. "False representation" includes without limitation:

(a) The issuance of a check, draft, or order for the payment of money or the delivery of property knowing that he is not entitled to draw upon the drawee therefor or to order the payment or delivery thereof; or

(b) A promise made with intent not to perform. Failure to perform is not evidence of intent not to perform unless corroborated by other substantial evidence; or

(c) The unauthorized use of a credit card, credit plate, charge plate, or other identification device issued by an organization to a person for use in purchasing goods on credit; or

(4) By swindling, whether by artifice, trick, device, or any other means, obtains property from another person; or

(5) Intentionally commits any of the acts listed in this subdivision but with intent to exercise temporary control only and;

(a) The control exercised manifests an indifference to the rights of the owner or the restoration of the property to him; or

(b) He pledges or otherwise attempts to subject the property to an adverse claim; or

(c) He intends to restore the property only on condition that the owner pay a reward or buy back or make other compensation; or

(6) Finds lost property and, knowing or having reasonable means of ascertaining the true owner, appropriates it to his own use or to that of another not entitled thereto without first having made reasonable effort to find the owner and offer and surrender the property to him; or

(7) Intentionally obtains property or services, offered upon the deposit of a sum of money or tokens in a coin or token operated machine or other receptacle, without making the required deposit or otherwise obtaining the consent of the owner; or

(8) Intentionally and without claim of right converts any article representing a trade secret, knowing it to be such, to his own use or that of another person or makes a copy of an article representing a trade secret, knowing it to be such, and intentionally and without claim of right converts the same to his own use or that of another person. It shall be a complete defense to any prosecution under this clause for the defendant to show that information comprising the trade secret was rightfully known or available to him from a source other than the owner of the trade secret; or

(9) Leases or rents personal property under a written instrument and who with intent to place such property beyond the control of the lessor conceals or aids or abets the concealment of such property or any part thereof, or any lessee of such property who sells, conveys or encumbers such property or any part thereof without the written consent of the lessor, without informing the person to whom he sells, conveys, or encumbers that the same is subject to such lease and with intent to deprive the lessor of possession thereof. Evidence that a lessee used a false or fictitious name or address in obtaining such property or fails or refuses to return such property to lessor within five days after written demand for such return has been served personally in the manner provided for service of process of a civil action or sent by registered or certified mail to the last known address of the lessee, whichever shall occur later, shall be evidence of intent to violate this clause. Service by certified or registered mail shall be deemed to be complete upon deposit in the United States mail of such demand, postpaid and addressed to such person at the address for such person set forth in the lease or rental agreement, or, in the absence of such address, to such person's last known place of residence; or

(10) Alters, removes or obliterates numbers or symbols placed on movable property for purpose of identification by the owner or person who has legal custody or right to possession thereof with the intent to prevent identification, if the person who alters, removes or obliterates the numbers or symbols is not the owner and does not have the permission of the owner to make the alteration, removal or obliteration.

Sec. 58. Minnesota Statutes 1974, Section 609.52, Subdivision 3, is amended to read:

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

(1) To imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~, if the value of the property or services stolen exceeds \$2,500; or

(2) To imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~, if the value of the property or services is more than \$100 but not more than \$2,500; or

(3) To imprisonment for ~~not more than five years or to pay-~~

ment of a fine of not more than \$5,000, or both two years, notwithstanding the value of the property or services is not more than \$100, if any of the following circumstances exist:

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

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

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

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

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

(5) In all other cases where the value of the property or services is \$100 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both, provided, however, in any prosecution under clause (1), clause (2), clause (3) (a) and (c), and clause (4) of subdivision 2 the value of the money or property received by the defendant in violation of any one or more of the above provisions within any six month period may be aggregated and the defendant charged accordingly in applying the provisions of this subdivision; provided that when two or more offenses are committed by the same person in two or more counties, the accused may be prosecuted in any county in which one of the offenses was committed for all of the offenses aggregated under this paragraph.

Sec. 59. Minnesota Statutes, 1975 Supplement, Section 609.521, is amended to read:

609.521 [POSSESSION OF SHOPLIFTING GEAR.] Whoever has in his possession any device, gear, or instrument specially designed to assist in shoplifting with intent to use the same to shoplift and thereby commit theft *may shall* be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$3,000, or both one year.

Sec. 60. Minnesota Statutes 1974, Section 609.525, Subdivision 1, is amended to read:

609.525 [BRINGING STOLEN GOODS INTO STATE.] Subdivision 1. Whoever brings property into the state which he has stolen outside the state, or received outside of the state knowing it to have been stolen, *may shall* be sentenced in accordance with the provisions of section 609.52, subdivision 3. He may be charged, indicted, and tried in any county, but not more than one county, into or through which he has brought such property.

Sec. 61. Minnesota Statutes 1974, Section 609.53, Subdivision 1, is amended to read:

609.53 [RECEIVING STOLEN GOODS.] Subdivision 1. Any person who receives, buys or conceals any stolen property or property obtained by robbery, knowing the same to be stolen or obtained by robbery, ~~may~~ *shall* be sentenced as follows:

(1) If the value of the property received, bought or concealed is \$100 or more, to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years ;~~

(2) If the value of the property received, bought or concealed is less than \$100, to punishment as a misdemeanor.

Sec. 62. Minnesota Statutes 1974, Section 609.53, Subdivision 3, is amended to read:

Subd. 3. Any person convicted of a second or subsequent violation under subdivision 2 within a period of one year ~~may~~ *shall* be sentenced as provided in subdivision 1, clause (1).

Sec. 63. Minnesota Statutes 1974, Section 609.54, is amended to read:

609.54 [EMBEZZLEMENT OF PUBLIC FUNDS.] Whoever does an act which constitutes embezzlement under the provisions of Minnesota Constitution, Article IX, Section 12 ~~may~~ *shall* be sentenced as follows:

(1) If the value of the funds so embezzled is \$2,500, or less, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years ;~~ or

(2) If such value is more than \$2,500, to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years .~~

Sec. 64. Minnesota Statutes 1974, Section 609.55, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever intentionally takes or drives a motor vehicle without the consent of the owner or his authorized agent ~~may~~ *shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year .~~

Sec. 65. Minnesota Statutes, 1975 Supplement, Section 609.551, Subdivision 1, is amended to read:

609.551 [RUSTLING AND LIVESTOCK THEFT; PENALTIES.] Subdivision 1. Whoever intentionally and without claim of right shoots, kills, takes, uses, transfers, conceals or retains possession of live cattle, swine or sheep or the carcasses thereof belonging to another without his consent and with the intent to permanently deprive the owner thereof ~~may~~ *shall* be sentenced as follows:

(a) If the value of the animals which are shot, killed, taken, used, transferred, concealed or retained exceeds \$2,500, the defen-

dant *may shall* be sentenced to imprisonment for ~~not more than ten four~~ years ; and ~~may be fined up to \$10,000~~ ;

(b) If the value of the animals which are shot, killed, taken, used, transferred, concealed or retained exceeds \$100 but is less than \$2,500, the defendant *may shall* be sentenced to imprisonment for ~~not more than five two~~ years ; and ~~may be fined up to \$5,000~~ ;

(c) If the value of the animals which are shot, killed, taken, used, transferred, concealed, or retained is \$100 or less, the defendant may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$300 or both.

Sec. 66. Minnesota Statutes 1974, Section 609.56, is amended to read:

609.56 [AGGRAVATED ARSON.] Whoever, by means of fire or explosives, intentionally destroys or damages a dwelling house or other property, real or personal, whether his own or that of another, and thereby creates an imminent danger to life or risk of great bodily harm commits aggravated arson and *may shall* be sentenced to imprisonment for ~~not more than 25 years~~ or to payment of a fine of ~~not more than \$25,000~~, or both ~~ten years~~ if the danger or risk was known or reasonably foreseeable.

Sec. 67. Minnesota Statutes 1974, Section 609.565, is amended to read:

609.565 [SIMPLE ARSON.] Whoever, by means of fire or explosives, intentionally damages or destroys any property of another without his consent is guilty of simple arson, if the act does not constitute aggravated arson, and *may shall* be sentenced as follows:

(1) To imprisonment for ~~not more than five years~~ or to payment of a fine of ~~not more than \$5,000~~, or both ~~two years~~ , if:

(a) The property intended by the actor to be damaged or destroyed had a value of \$100 or more; or

(b) Property of the value of \$100 or more was unintentionally damaged or destroyed but such damage or destruction could reasonably have been foreseen; or

(c) The property specified in clauses (a) and (b) in the aggregate had a value of \$100 or more; or

(2) To imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both in all other cases.

Sec. 68. Minnesota Statutes 1974, Section 609.58, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever enters a building without the consent of the person in lawful possession, with intent to commit a crime therein, or whoever remains within a building without the consent of the person in lawful authority, with intent

to commit a crime therein, commits burglary and may *shall* be sentenced as follows:

(1) To imprisonment for ~~not more than 20 years~~ or to ~~payment of a fine of not more than \$20,000~~, or both *eight years*, if:

(a) When entering or while in the building, he possesses an explosive or tool to gain access to money or property; or

(b) The building entered is a dwelling and he possesses a dangerous weapon when entering or while in the building or he commits an assault upon a person present therein; or

(c) The portion of the building entered contains a banking business or other business of receiving securities or other valuable papers for deposit or safekeeping, the entry is with force or threat of force, the intent is to steal or commit a felony therein.

(2) To imprisonment for ~~not more than ten years~~ or to ~~payment of a fine of not more than \$10,000~~, or both *four years*, if the building entered is a dwelling and another person not an accomplice is present therein.

(3) In any other case, to imprisonment for ~~not more than five years~~ or to ~~payment of a fine of not more than \$5,000~~, or both *two years*, if the intent is to steal or commit a felony or gross misdemeanor or to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both, if the intent is to commit a misdemeanor.

Sec. 69. Minnesota Statutes 1974, Section 609.59, is amended to read:

609.59 [POSSESSION OF BURGLARY TOOLS.] Whoever has in his possession any device, explosive, or other instrumentality with intent to use or permit the use of the same to commit burglary may *shall* be sentenced to imprisonment for ~~not more than three years~~ or to ~~payment of a fine of not more than \$3,000~~, or both *one year*.

Sec. 70. Minnesota Statutes 1974, Section 609.595, Subdivision 1, is amended to read:

609.595 [DAMAGE TO PROPERTY.] Subdivision 1. [AGGRAVATED CRIMINAL DAMAGE TO PROPERTY.] Whoever intentionally causes damage to physical property of another without the latter's consent may *shall* be sentenced to imprisonment for ~~not more than five years~~ or to ~~payment of a fine of not more than \$5,000~~, or both *two years*, if:

(1) The damage to the property caused a reasonably foreseeable risk of bodily harm; or

(2) The property damaged belongs to a public utility or a common carrier and the damage impairs the service to the public rendered by them; or

(3) The damage reduces the value of the property by more

than \$100 measured by the cost of repair or replacement, whichever is less.

Sec. 71. Minnesota Statutes 1974, Section 609.60, is amended to read:

609.60 [DANGEROUS TRESPASSES AND OTHER ACTS.] Whoever intentionally does any of the following is guilty of a misdemeanor; except, if to his knowledge a risk of death or bodily harm or serious property damage is thereby created, he ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ :

- (1) Smokes in the presence of explosives or inflammable materials; or
- (2) Interferes with or obstructs the prevention or extinguishing of any fire, or disobeys the lawful orders of a law enforcement officer or fireman present at the fire; or
- (3) Shows a false light or signal or interferes with any light, signal, or sign controlling or guiding traffic upon a highway, railway track, navigable waters, or in the air; or
- (4) Places an obstruction upon a railroad track; or
- (5) Exposes another or his property to an obnoxious or harmful gas, fluid or substance, with intent to injure, molest, or coerce.

Sec. 72. Minnesota Statutes 1974, Section 609.61, is amended to read:

609.61 [DEFRAUDING INSURER.] Whoever burns, destroys, or otherwise damages any property with intent to defraud an insurer of that property, when aggravated arson is not committed thereby, ~~may shall~~ be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year~~ .

Sec. 73. Minnesota Statutes 1974, Section 609.615, is amended to read:

609.615 [DEFEATING SECURITY ON REALTY.] Whoever removes or damages real property which is subject to a mortgage, mechanic's lien, or contract for deed, with intent to impair the value of the security, without the consent of the security holder, ~~may shall~~ be sentenced as follows:

- (1) If the value of the property is impaired by \$100 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both; or
- (2) If the value of the property is impaired by more than \$100, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ .

Sec. 74. Minnesota Statutes 1974, Section 609.62, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever, with intent to defraud, does any of the following ~~may shall~~ be sentenced to imprisonment for ~~not more than two years or to payment of a fine of not more than \$2,000, or both one year~~ :

(1) Conceals, removes, or transfers any personal property in which he knows that another has a security interest; or

(2) Being an obligor and knowing the location of the property refuses to disclose the same to an obligee entitled to possession thereof.

Sec. 75. Minnesota Statutes 1974, Section 609.625, is amended to read:

609.625 [AGGRAVATED FORGERY.] Subdivision 1. [MAKING OR ALTERING WRITING OR OBJECT.] Whoever, with intent to defraud, falsely makes or alters a writing or object of any of the following kinds so that it purports to have been made by another or by himself under an assumed or fictitious name, or at another time, or with different provisions, or by authority of one who did not give such authority, is guilty of aggravated forgery and ~~may shall~~ be sentenced to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~ :

(1) A writing or object whereby, when genuine, legal rights, privileges, or obligations are created, terminated, transferred, or evidenced, or any writing normally relied upon as evidence of debt or property rights; or

(2) An official seal or the seal of a corporation; or

(3) A public record or an official authentication or certification of a copy thereof; or

(4) An official return or certificate entitled to be received as evidence of its contents; or

(5) A court order, judgment, decree, or process; or

(6) The records or accounts of a public body, office, or officer; or

(7) The records or accounts of a bank or person, with whom funds of the state or any of its agencies or subdivisions are deposited or entrusted, relating to such funds.

Subd. 2. [MEANS FOR FALSE REPRODUCTION.] Whoever, with intent to defraud, makes, engraves, possesses or transfers a plate or instrument for the false reproduction of a writing or object mentioned in subdivision 1 ~~may shall~~ be sentenced as provided in subdivision 1.

Subd. 3. [UTTERING OR POSSESSING.] Whoever, with intent to defraud, utters or possesses with intent to utter any forged writing or object mentioned in subdivision 1, knowing it to have been so forged, ~~may shall~~ be sentenced as provided in subdivision 1.

Sec. 76. Minnesota Statutes 1974, Section 609.63, is amended to read:

609.63 [FORGERY.] Subdivision 1. Whoever, with intent to injure or defraud, does any of the following is guilty of forgery and *may shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year~~ :

(1) Uses a false writing, knowing it to be false, for the purpose of identification or recommendation; or

(2) Without consent, places, or possesses with intent to place, upon any merchandise an identifying label or stamp which is or purports to be that of another craftsman, tradesman, packer, or manufacturer, or disposes or possesses with intent to dispose of any merchandise so labeled or stamped; or

(3) Falsely makes or alters a membership card purporting to be that of a fraternal, business, professional, or other association, or of any labor union, or possesses any such card knowing it to have been thus falsely made or altered; or

(4) Falsely makes or alters a writing, or possesses a falsely made or altered writing, evidencing a right to transportation on a common carrier; or

(5) Destroys, mutilates, or by alteration, false entry or omission, falsifies any record, account, or other document relating to a private business; or

(6) Without authority of law, destroys, mutilates, or by alteration, false entry, or omission, falsifies any record, account, or other document relating to a person, corporation, or business, or filed in the office of, or deposited with, any public office or officer; or

(7) Destroys a writing or object to prevent it from being produced at a trial, hearing, or other proceeding authorized by law.

Subd. 2. Whoever, with knowledge that it is forged, offers in evidence in any trial, hearing or other proceedings authorized by law, as genuine, any forged writing or object *may shall* be sentenced as follows:

(1) If the writing or object is offered in evidence in the trial of a felony charge, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ ; or

(2) In all other cases, to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year~~ .

Sec. 77. Minnesota Statutes 1974, Section 609.635, is amended to read:

609.635 [OBTAINING SIGNATURE BY FALSE PRETENSE.] Whoever, by false pretense, obtains the signature of

another to a writing which is a subject of forgery under section 609.625, subdivision 1, *may shall* be punished as therein provided.

Sec. 78. Minnesota Statutes 1974, Section 609.64, is amended to read:

609.64 [RECORDING, FILING OF FORGED INSTRUMENT.] Whoever intentionally presents for filing, registering, or recording, or files, registers, or records a false or forged instrument relating to or affecting real or personal property in a public office entitled to file, register, or record such instrument when genuine *may shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year~~.

Sec. 79. Minnesota Statutes 1974, Section 609.645, is amended to read:

609.645 [FRAUDULENT STATEMENTS.] Whoever, with intent to injure or defraud, does any of the following *may shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year~~ :

(1) Circulates or publishes a false statement, oral or written, relating to a corporation, association, or individual, intending thereby to give a false apparent value to securities issued or to be issued by, or to the property of, such corporation, association, or individual; or

(2) Makes a false ship's or airplane's manifest, invoice, register, or protest.

Sec. 80. Minnesota Statutes 1974, Section 609.65, is amended to read:

609.65 [FALSE CERTIFICATION BY NOTARY PUBLIC.] Whoever, when acting or purporting to act as a notary public or other public officer, certifies falsely that an instrument has been acknowledged or that any other act was performed by a party appearing before him or that as such notary public or other public officer he performed any other official act *may shall* be sentenced as follows:

(1) If he so certifies with intent to injure or defraud, to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year~~ ; or

(2) In any other case, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both.

Sec. 81. Minnesota Statutes 1974, Section 609.67, Subdivision 2, is amended to read:

Subd. 2. [ACTS PROHIBITED.] Except as otherwise provided herein, whoever owns, possesses, or operates a machine gun *may shall* be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ .

Sec. 82. Minnesota Statutes 1974, Section 609.71, is amended to read:

609.71 [RIOT.] When three or more persons assembled disturb

the public peace by an intentional act or threat of unlawful force or violence to person or property, each participant therein is guilty of riot and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both, or, if the offender, or to his knowledge any other participant, is armed with a dangerous weapon or is disguised, *he shall be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both two years.*

Sec. 83. Minnesota Statutes 1974, Section 609.713, is amended to read:

609.713 [TERRORISTIC THREATS.] Subdivision 1. Whoever threatens to commit any crime of violence with purpose to terrorize another or to cause evacuation of a building, place of assembly or facility of public transportation or otherwise to cause serious public inconvenience, or in a reckless disregard of the risk of causing such terror or inconvenience ~~may~~ *shall* be sentenced to imprisonment for ~~not more than five years~~ *two years.*

Subd. 2. Whoever communicates to another with purpose to terrorize another or in reckless disregard of the risk of causing such terror, that explosives or an explosive device or any incendiary device is present at a named place or location, whether or not the same is in fact present, ~~may~~ *shall* be sentenced to imprisonment for ~~not more than three years~~ *one year.*

Sec. 84. Minnesota Statutes 1974, Section 609.785, is amended to read:

609.785 [FRAUDULENT LONG DISTANCE TELEPHONE CALLS.] Whoever obtains long distance telephone service by intentionally requesting of the operator that the cost thereof be charged to a false or non-existent telephone or credit card number or to the telephone or credit card number of another without his authority may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both, when the value of the telephone service obtained is not more than \$100; and *shall be sentenced by imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both two years,* if the value of the telephone service obtained in a single transaction, or in separate transactions within any six month period, is more than \$100.

Sec. 85. Minnesota Statutes 1974, Section 609.82, is amended to read:

609.82 [FRAUD IN OBTAINING CREDIT.] Whoever, with intent to defraud, obtains credit for himself or another from a bank, trust company, savings or building and loan association, or credit union, by means of a present or past false representation as to his or another's financial ability may be sentenced as follows:

- (1) If no money or property is obtained by the defendant by means of such credit, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both; or
- (2) If money or property is so obtained, the value thereof

shall be determined as provided in section 609.52, subdivision 1, clause (3) and he ~~may~~ shall be sentenced as provided in section 609.52, subdivision 3.

Sec. 86. Minnesota Statutes 1974, Section 609.825, Subdivision 2, is amended to read:

Subd. 2. [ACTS PROHIBITED.] Whoever does any of the following ~~may~~ shall be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years :~~

(1) Offers, gives, or agrees to give, directly or indirectly, any benefit, reward or consideration to a participant, manager, director, or other official, or to one who intends to become such participant or official, in any sporting event, race or other contest of any kind whatsoever with intent thereby to influence such participant not to use his best effort to win or enable his team to win or to attain a maximum score or margin of victory, or to influence such official in his decisions with respect to such contest; or

(2) Requests, receives, or agrees to receive, directly or indirectly, any benefit, reward or consideration upon the understanding that he will be so influenced as such participant or official.

Sec. 87. Minnesota Statutes 1974, Section 609.83, is amended to read:

609.83 [FALSELY IMPERSONATING ANOTHER.] Whoever does either of the following ~~may~~ shall be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years :~~

(1) Assumes to enter into a marriage relationship with another by falsely impersonating a third person; or

(2) By falsely impersonating another with intent to defraud him or a third person, appears, participates, or executes an instrument to be used in a judicial proceeding.

Sec. 88. [EFFECTIVE DATE.] Sections 1 to 91 are effective January 1, 1977, except as specifically provided in section 9.

Sec. 89. *In the next and subsequent editions of the Minnesota Statutes the revisor of statutes shall make such changes in terminology as may be necessary to record the functions, powers and duties of the commissioner of corrections as established by this act.*

Sec. 90. *The sum of \$ . . . . . is appropriated to the commissioner of corrections from the general fund for the purpose of implementing the provisions of this act for the biennium beginning July 1, 1975. Notwithstanding Minnesota Statutes, Section 16A.28 or other law this appropriation shall not lapse until July 1, 1977.*

Sec. 91. [REPEALER.] *Minnesota Statutes 1974, Sections 246.43; 609.11, as amended by Laws 1975, Chapter 378, Section 8;*

*609.13, Subdivision 1; 609.155; and 609.16, are repealed effective for persons sentenced after December 31, 1976. Sections 241.045, as amended by Laws 1975, Chapters 61, Section 4, and 304, Section 3; and 242.24 are repealed effective for persons sentenced after December 31, 1978."*

Further, strike the title in its entirety and insert:

"A bill for an act relating to corrections; sentencing and post conviction disposition of criminal offenders; transferring the powers and duties of the Minnesota corrections authority to the commissioner of corrections; abolishing the Minnesota corrections authority; providing for determinate sentencing; providing for a mutual agreement program; appropriating money; amending Minnesota Statutes 1974, Sections 152.15; 609.02, Subdivision 8; 609.03; 609.10; 609.135, Subdivision 1; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.19; 609.195; 609.20; 609.205; 609.21; 609.215; 609.225; 609.235; 609.24; 609.245; 609.25, Subdivision 2; 609.255; 609.26; 609.27, Subdivision 2; 609.293, Subdivisions 2, 3 and 4; 609.31; 609.32; 609.355, Subdivision 2; 609.365; 609.375, Subdivision 2; 609.39; 609.395; 609.405, Subdivision 2; 609.42, Subdivision 1; 609.425; 609.445; 609.455; 609.465; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.52, Subdivision 3; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.56; 609.565; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.61; 609.615; 609.62, Subdivision 2; 609.625; 609.63; 609.635; 609.64; 609.645; 609.65; 609.67, Subdivision 2; 609.71; 609.713; 609.785; 609.82; 609.825, Subdivision 2; 609.83; Minnesota Statutes, 1975 Supplement, Sections 609.185; 609.342; 609.343; 609.344; 609.345; 609.52, Subdivision 2; 609.521; and 609.551, Subdivision 1; repealing Minnesota Statutes 1974, Sections 241.045, as amended; 242.24; 246.43; 609.11, as amended; 609.13, Subdivision 1; 609.155; and 609.16."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1226, 1302, 955 and 1376 for proper reference, recommends the above House Files be re-referred to their respective Committees as follows:

H. F. No. 955 to the Committee on Judiciary.

H. F. Nos. 1302 and 1376 to the Committee on Labor and Commerce.

H. F. No. 1226 to the Committee on Transportation and General Legislation.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 998, 1805, 1736, 687 and 1636 were read the second time.

**SECOND READING OF HOUSE BILLS**

H. F. No. 447 was read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, February 5, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SIXTY-SECOND DAY**

**St. Paul, Minnesota, Tuesday, February 3, 1976**

**The House of Representatives met on Tuesday, February 3, 1976, which was the Sixty-Second Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.**

**SIXTY-THIRD DAY**

**St. Paul, Minnesota, Wednesday, February 4, 1976**

The House of Representatives met on Wednesday, February 4, 1976, which was the Sixty-Third Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.

## SIXTY-FOURTH DAY

St. Paul, Minnesota, Thursday, February 5, 1976

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Conzemius imposed a call of the Senate. The following Senators answered to their names:

Anderson	Fitzsimons	Jensen	Milton	Purfeerst
Arnold	Frederick	Josefson	Ogdahl	Schmitz
Bernhagen	Gearty	Keefe, S.	Olhoff	Schrom
Blatz	Hansen, Baldy	Kirchner	Olson, A. G.	Stokowski
Borden	Hansen, Mel	Kowalczyk	Olson, J. L.	Stumpf
Conzemius	Hanson, R.	Larson	Patton	Ueland
Davies	Hughes	Lewis	Perpich, A. J.	Wegener
Doty	Humphrey	Merriam	Perpich, G.	Willet

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Dave S. Schneider.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, S.	Ogdahl	Schrom
Arnold	Doty	Kirchner	Olhoff	Sillers
Ashbach	Dunn	Kleinbaum	Olson, A. G.	Solon
Bang	Fitzsimons	Knutson	Olson, H. D.	Spear
Berg	Frederick	Kowalczyk	Olson, J. L.	Stassen
Bernhagen	Gearty	Larson	O'Neill	Stokowski
Blatz	Hansen, Baldy	Laufenburger	Patton	Stumpf
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Tennessee
Brataas	Hanson, R.	McCutcheon	Perpich, G.	Ueland
Brown	Hughes	Merriam	Piusoury	Wegener
Chenoweth	Humphrey	Milton	Purfeerst	Willet
Chmielewski	Jensen	Moe	Renneke	
Coleman	Josefson	Nelson	Schaaf	
Conzemius	Keefe, J.	North	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 3, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
	1003	1	February 2	February 2
	1555	2	February 2	February 2

Sincerely,  
Joan Anderson Growe, Secretary of State

## INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. North and Schmitz introduced—

S. F. No. 1906: A bill for an act relating to licensed occupations; establishing a policy for the regulation of occupations; transferring responsibility for the provision of staffing and administrative services; clarifying reporting responsibilities; prescribing a procedure for complaint review; granting licensing boards additional powers relating to injunctive relief, subpoenas and continuing education; prescribing duties of the board of health relating to human services occupations, creating advisory councils; merging the licensed practical nursing board into the board of nursing; transferring employees and moneys; appropriating money; amending Minnesota Statutes 1974, Sections 125.182, Subdivision 3; 125.183, by adding a subdivision; 125.184, as amended; 125.185, as amended; 125.187; 144.955; 144.959; 147.021, Subdivision 1; 147.06; 147.13; 147.18; 147.23; 148.05; 148.06, Subdivision 1; 148.07, as amended; 148.10; 148.211, Subdivision 2; 148.241, Subdivision 1; 148.291, Subdivision 3; 148.57; 148.59; 148.90, as amended; 148.91, Subdivisions 1 and 3; 148.97, Subdivision 6; 148.98; 150A.04, Subdivision 5; 150A.06, Subdivision 1; 150A.08, Subdivision 4; 150A.09, Subdivision 3; 151.06, Subdivision 4; 151.10; 151.13; 151.14; 151.19; 151.25; 151.27; 155.02, Subdivision 7a; 155.03, Subdivision 2; 155.06, Subdivision 3; 155.09, Subdivisions 1, 4 and 5; 155.11, Subdivision 2; 155.14; 155.16; 155.18, Subdivision 1; 155.20, Subdivision 2; 156.01, Subdivision 5; 156.02, Subdivision 2; 156.03; 156.07; 156.072, Subdivisions 2 and 3; 156.081, Subdivision 1; 156.14; 214.06; 270.47; 326.08, Subdivision 1; 326.11, Subdivision 6; 326.15; 326.22, as amended; 326.23, 326.241, as amended; 326.242, Subdivisions 8 and 9; 326.33, Subdivisions 2 and 3; 326.331; 326.332, Subdivi-

sion 1; 326.334, Subdivisions 1 and 3; 326.54; 326.543; 326.544; 326.545; 326.546; 341.05, as amended; 341.06; 341.07; 341.08; 341.12; 341.13; 341.15; 386.63, Subdivisions 2 and 3; 386.64; 386.65, Subdivisions 1 and 2; 386.67; Chapter 214, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 125.183, Subdivision 3; 144.952, by adding a subdivision; 147.01; 147.02, Subdivision 1; 147.05; 148.03; 148.181; 148.191; 148.211, Subdivision 1; 148.261, Subdivision 1; 148.29, Subdivision 2; 148.291, Subdivision 1; 148.299; 148.52; 148.54; 148.60; 148.95; 150A.02, Subdivision 1; 150A.03, Subdivision 2; 151.03; 151.07; 153.02; 153.03; 153.04; 153.13; 154.22; 154.23; 155.05; 155.06, Subdivision 1; 155.08; 156.01, Subdivision 1; 214.04; 214.07; 270.41; 270.42; 326.03, Subdivision 1; 326.04; 326.05; 326.06; 326.08, Subdivision 2; 326.09; 326.10; 326.11, Subdivisions 1 and 5; 326.12; 326.13; 326.14; 326.17; 326.33, Subdivision 1; 326.541; 326.542; 341.01; 341.04; 341.10; 341.11; 386.63, Subdivision 1; 386.66; 386.68; repealing Minnesota Statutes 1974, Sections 144.956; 144.958; 144.965; 145.861; 145.862; 145.863; 145.864; 148.06, Subdivision 2; 148.231, Subdivision 2; 148.291, Subdivision 2; 148.55; 148.94; 148.97, Subdivision 2; 148.99, Subdivision 1; 150A.04, Subdivisions 1, 2, 3 and 4; 150A.07; 150A.08, Subdivision 2; 150A.09, Subdivision 2; 151.09; 153.10; 156.01, Subdivision 4; 326.08, Subdivision 3; 326.11, Subdivision 3; 326.16; 386.63, Subdivision 6; 386.65, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 145.865, Subdivision 1; 145.866; 148.211, Subdivision 3; 148.231, Subdivision 3; 148.291, Subdivision 4; 148.297, Subdivision 2; 148.55; 326.11, Subdivisions 2 and 4; 386.695; 386.696; and 386.70, Subdivisions 3, 4, 5 and 6.

Referred to the Committee on Governmental Operations.

Messrs. Berg; Hanson, R. and Olson, J. L. introduced—

S. F. No. 1907: A bill for an act relating to unemployment compensation; extending to ten weeks the disqualification period for persons voluntarily terminating employment without good cause; amending Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Keefe, S.; Keefe, J. and Wegener introduced—

S. F. No. 1908: A bill for an act relating to crimes; repealing the law regulating admittance to public dances and the law proscribing holding of public dances at certain hours; repealing Minnesota Statutes 1974, Sections 624.49 and 624.51.

Referred to the Committee on Judiciary.

Messrs. Keefe, S.; Kirchner and Hughes introduced—

S. F. No. 1909: A bill for an act providing for monitoring noise at the Minneapolis-St. Paul International Airport; appropriating money.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Merriam; Keefe, J. and Tennesen introduced—

S. F. No. 1910: A bill for an act relating to public welfare; providing visitation rights to unmarried minor children for grandparents in certain cases.

Referred to the Committee on Judiciary.

Mr. Brown introduced—

S. F. No. 1911: A bill for an act relating to the city of Newport; volunteer firemen's service pensions.

Referred to the Committee on Governmental Operations.

Messrs. Conzemius, Brown and Lewis introduced —

S. F. No. 1912: A bill for an act relating to corrections; creating a state board of corrections, and vesting in that board the supervisory responsibility for the correction matters of this state; amending Minnesota Statutes 1974, Sections 241.01, Subdivisions 1, 2, 5, 6, and by adding a subdivision; 241.045, Subdivisions 2, 3, 4 and 5; Minnesota Statutes, 1975 Supplement, Sections 241.01, Subdivisions 3a and 5a; 241.045, Subdivisions 1 and 7; repealing Minnesota Statutes 1974, Section 241.01, Subdivision 4.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, S.; Ashbach and Anderson introduced—

S. F. No. 1913: A bill for an act relating to education; state community college board; faculty salary increases; approving the contract negotiated with the Minnesota community college faculty association.

Referred to the Committee on Education.

Messrs. Perpich, G. and Moe introduced—

S. F. No. 1914: A bill for an act relating to game and fish; providing temporary permits for handicapped hunters; amending Minnesota Statutes, 1975 Supplement, Section 98.48, Subdivision 12.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Milton, Anderson and Schaaf introduced—

S. F. No. 1915: A bill for an act relating to taxation; providing that local aid formula calculations may be based on special census figures; amending Minnesota Statutes, 1975 Supplement, Section 477A.01, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. Kleinbaum introduced—

S. F. No. 1916: A bill for an act relating to the powers and duties of the commissioner of administration; regulations on the use of state owned vehicles; providing that such regulations do not apply to certain state law enforcement officials; amending Minnesota Statutes, 1975 Supplement, Section 16.753.

Referred to the Committee on Governmental Operations.

Mr. Kleinbaum introduced—

S. F. No. 1917: A bill for an act relating to taxation; imposing a tax when residual materials attributable to the production of certain minerals are deposited in Lake Superior or on land; amending Minnesota Statutes 1974, Chapter 298, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 298.27.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S. F. No. 1918: A bill for an act relating to cemeteries; prohibiting certain activities on public and private cemeteries and Indian burial grounds; requiring the posting of Indian burial grounds; amending Minnesota Statutes 1974, Section 307.08.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Spear; Keefe, J. and Milton introduced—

S. F. No. 1919: A bill for an act relating to mental health; creating state and local councils for review of mental health treatment and surgical procedures; establishing procedures for the use of psychosurgery and electroconvulsive treatment; providing a penalty; amending Minnesota Statutes 1974, Section 253A.16, as amended.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Spear; Keefe, J. and Tennessen introduced—

S. F. No. 1920: A bill for an act relating to juvenile courts; requiring written findings of fact for all dispositions of delinquent, dependent, and neglected children; amending Minnesota Statutes 1974, Sections 260.185, Subdivision 1; and 260.191, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Keefe, S.; Keefe, J. and Doty introduced—

S. F. No. 1921: A bill for an act relating to eminent domain; providing for referees in lieu of court appointed commissioners and prescribing the powers and duties of a referee; providing

that the county or city assessor's market value or estimated market value be the basis of the referee's initial award; providing a method of determining past taxes due on certain acquired property by reason of under assessment, and providing for the collection and distribution thereof; amending Minnesota Statutes 1974, Sections 117.105; 117.115; 117.135, by adding subdivisions; 117.145; 117.165, Subdivisions 1 and 2; 117.175, Subdivision 1; 117.195; Chapter 117, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 117.042; repealing Minnesota Statutes 1974, Sections 117.075 and 117.085.

Referred to the Committee on Judiciary.

Messrs. Kleinbaum and Brown introduced—

S. F. No. 1922: A bill for an act relating to crimes; exempting prison guards from pistol permit requirements when on duty; amending Minnesota Statutes, 1975 Supplement, Section 624.714, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Kleinbaum, Stokowski and Hanson, R. introduced—

S. F. No. 1923: A bill for an act relating to retirement; volunteer firemen's lump sum benefits; amending Minnesota Statutes 1974, Section 69.06.

Referred to the Committee on Governmental Operations.

Messrs. Tennessen; Hansen, Mel; and Davies introduced—

S. F. No. 1924: A bill for an act relating to employment agencies; excluding teacher and nurse placement agencies from the definition of employment agency; amending Minnesota Statutes 1974, Section 184.21, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Messrs. Stassen and Solon and Mrs. Brataas introduced—

S. F. No. 1925: A bill for an act relating to education; providing for membership on the higher education coordinating board; amending Minnesota Statutes 1974, Section 136A.02, Subdivision 1.

Referred to the Committee on Education.

Messrs. Stassen, Hughes and Patton introduced—

S. F. No. 1926: A bill for an act relating to education; eye protection requirements for certain industrial and scientific courses; defining industrial quality eye protective devices; amending Minnesota Statutes 1974, Section 126.20, Subdivision 6.

Referred to the Committee on Labor and Commerce.

Messrs. Davies, Pillsbury and Schaaf introduced—

S. F. No. 1927: A bill for an act relating to no fault automobile insurance; clarifying the definition of motor vehicle; providing penalties against motorcycle owners who violate the no fault insurance act; amending Minnesota Statutes 1974, Section 65B.67, by adding a subdivision.

Referred to the Committee on Labor and Commerce.

Messrs. Hughes, McCutcheon and Milton introduced—

S. F. No. 1928: A bill for an act relating to the city of Maplewood; paramedic service; authorizing the collection of taxes in excess of the levy limits for purposes of the paramedic program.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Stassen, Conzemius and O'Neill introduced—

S. F. No. 1929: A bill for an act relating to taxation; exempting employee commuter vans from motor vehicle excise tax; amending Minnesota Statutes, 1975 Supplement, Section 297B.03.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Chenoweth, McCutcheon and Stumpf introduced—

S. F. No. 1930: A bill for an act relating to the city of St. Paul; providing for temporary use of a plan of assessment which will delay increases in assessed valuation in the city of St. Paul for certain buildings.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Davies and Merriam introduced—

S. F. No. 1931: A bill for an act relating to commerce; limiting deficiency judgments in consumer transactions.

Referred to the Committee on Judiciary.

Messrs. Davies and Keefe, S. introduced—

S. F. No. 1932: A bill for an act relating to banking; providing for mailed notice of automatic renewal of time deposits and possible penalties or loss of interest or reduction of interest; amending Minnesota Statutes 1974, Chapter 47, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. Stassen, McCutcheon and O'Neill introduced—

S. F. No. 1933: A bill for an act relating to taxation; providing for an investment credit for the purchase of consumer vans;

amending Minnesota Statutes 1974, Section 290.06, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bernhagen introduced—

S. F. No. 1984: A bill for an act relating to the city of Rockford; proportionate service pensions and financing requirements of the firemen's relief association.

Referred to the Committee on Governmental Operations.

Messrs. Nelson, Anderson and Moe introduced—

S. F. No. 1985: A bill for an act relating to education; environmental curriculum; providing for the inclusion of food production studies as part of environmental education; amending Minnesota Statutes 1974, Section 126.111.

Referred to the Committee on Education.

Messrs. Keefe, S. and Kirchner introduced—

S. F. No. 1986: A bill for an act relating to the metropolitan airports commission; requiring the installation of aircraft noise suppressing equipment at certain Minneapolis-St. Paul International Airport sites; amending Laws 1975, Chapter 13, Section 100, by adding a subdivision.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Keefe, S. introduced—

S. F. No. 1987: A bill for an act relating to elections; providing for allocation of moneys in the state elections campaign fund; amending Minnesota Statutes 1974, Section 10A.31, Subdivision 5.

Referred to the Committee on Transportation and General Legislation.

Mr. Keefe, S. introduced—

S. F. No. 1988: A bill for an act relating to elections; providing for allocation of moneys in the state elections campaign fund; amending Minnesota Statutes 1974, Section 10A.31, Subdivision 5.

Referred to the Committee on Transportation and General Legislation.

Mr. Keefe, S. introduced—

S. F. No. 1989: A bill for an act relating to lobbyists; changing the requirements for filing reports; amending Minnesota Stat-

utes 1974, Section 10A.04, Subdivision 4, and by adding a subdivision.

Referred to the Committee on Transportation and General Legislation.

Mr. Keefe, S. introduced—

S. F. No. 1940: A bill for an act relating to lobbyists; defining lobbyist; amending Minnesota Statutes 1974, Section 10A.01, Subdivision 11.

Referred to the Committee on Transportation and General Legislation.

Mr. Keefe, S. introduced—

S. F. No. 1941: A bill for an act relating to lobbyists; defining lobbyist; amending Minnesota Statutes 1974, Section 10A.01, Subdivision 11.

Referred to the Committee on Transportation and General Legislation.

Messrs. Keefe, S.; Stassen and Olson, A. G. introduced—

S. F. No. 1942: A bill for an act relating to elections; providing for uniform reporting dates for campaign disclosure forms; providing for disclosure of campaign contributions and expenditures of political committees and candidates for local office; amending Minnesota Statutes 1974, Chapters 123, 373, and 471, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 210A.01, Subdivisions 1, 5, 6, 8, 9, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27, Subdivision 1; 210A.29; 210A.32; 210A.33; Chapter 210A, by adding sections; repealing Minnesota Statutes, 1975 Supplement, Sections 123.015; 210A.01, Subdivisions 4 and 7; 210A.22; 210A.28; and 210A.31.

Referred to the Committee on Transportation and General Legislation.

Mrs. Brataas and Messrs. Conzemius and Frederick introduced—

S. F. No. 1943: A bill for an act relating to taxation; providing for the assessment of dwelling units in certain buildings; amending Minnesota Statutes 1974, Section 273.133.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Brataas and Messrs. Lewis and Nelson introduced—

S. F. No. 1944: A bill for an act relating to health; emphasizing what conditions make a certificate of need necessary;

amending Minnesota Statutes 1974, Section 145.72, Subdivision 3, as amended.

Referred to the Committee on Health, Welfare and Corrections.

Mrs. Brataas and Messrs. Frederick and Nelson introduced—

S. F. No. 1945: A bill for an act relating to public employees; administrative expenses of salary deductions for annuity contracts; repealing Minnesota Statutes, 1975 Supplement, Section 356.26.

Referred to the Committee on Governmental Operations.

Messrs. Tennesen, Brown and Humphrey introduced—

S. F. No. 1946: A bill for an act relating to privacy; prohibiting the disclosure of library circulation records or other records identifying the names of library users with specific materials to agencies or employees of federal, state, or local government except under authority of subpoena; prescribing penalties.

Referred to the Committee on Judiciary.

Messrs. Ueland; Keefe, J. and Tennesen introduced—

S. F. No. 1947: A bill for an act relating to courts; increasing the jurisdictional limits in conciliation courts of Hennepin county and Ramsey county; amending Minnesota Statutes 1974, Sections 488A.12, Subdivision 3; and 488A.29, Subdivision 3.

Referred to the Committee on Judiciary.

Mr. Borden introduced—

S. F. No. 1948: A bill for an act relating to education; correcting gross earnings tax reimbursement payments to Independent School District 181; appropriating money.

Referred to the Committee on Education.

Messrs. Olson, J. L.; Laufenburger and Josefson introduced—

S. F. No. 1949: A bill for an act relating to motor vehicles; authorizing the issuance of special license plates to physically handicapped persons; amending Minnesota Statutes, 1975 Supplement, Section 168.021, Subdivisions 1 and 2.

Referred to the Committee on Transportation and General Legislation.

Messrs. McCutcheon and Hansen, Mel introduced—

S. F. No. 1950: A bill for an act relating to the practice of chiropractic; prohibiting the state and its political subdivisions

from discriminating against licensed chiropractors in any manner which would tend to impede their performing and receiving compensation for authorized services; amending Minnesota Statutes 1974, Sections 148.03; and 148.08, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Perpich, G. introduced—

S. F. No. 1951: A bill for an act relating to retirement; police pensions and survivor benefits in cities of the fourth class; amending Minnesota Statutes 1974, Sections 423.55 and 423.58.

Referred to the Committee on Governmental Operations.

Mr. Perpich, G. introduced—

S. F. No. 1952: A bill for an act relating to public welfare; authorizing the commissioner to close institutions; amending Minnesota Statutes 1974, Chapter 246, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, J.; Wegener and Josefson introduced—

S. F. No. 1953: A bill for an act relating to commerce; regulating the advertising of plants, flowers, trees, shrubbery and seeds unable to grow in the climate of Minnesota; amending Minnesota Statutes 1974, Chapter 325, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. Stokowski, Gearty and Kleinbaum introduced—

S. F. No. 1954: A bill for an act relating to bingo; providing penalties; repealing Minnesota Statutes 1974, Chapter 349.

Referred to the Committee on Judiciary. Mr. Hansen, Baldy questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Gearty introduced—

S. F. No. 1955: A bill for an act relating to real property; title registration; providing for the issuance of duplicate certificates of title to replace lost or destroyed duplicate certificates; prescribing fees of the registrar; amending Minnesota Statutes 1974, Sections 508.44 and 508.82.

Referred to the Committee on Judiciary.

Messrs. Milton and Keefe, J. introduced—

S. F. No. 1956: A bill for an act relating to nursing homes;

providing for the licensing and inspection of nursing homes; providing for the licensing of nursing home administrators; reorganizing various laws relating to nursing homes and nursing home administrators; clarifying language and making necessary revisions; prescribing civil and criminal penalties; amending Minnesota Statutes 1974, Sections 144.053, Subdivision 3; 144.49, Subdivisions 6 and 7; 144.50; 144.51; 144.55; 144.572; 144.63, Subdivision 2; 144.652; 144.653, Subdivision 1; 144.654; 144.655; 144.656; 144.657; 144.68, Subdivisions 2 and 3; 145.61, Subdivision 4; 145.75; 145.862, Subdivision 4; 245.691, Subdivision 3; 256.12, Subdivision 19; 256B.02, Subdivision 2; 256B.30; 256D.-18, Subdivision 2; 299F.39, Subdivision 1; 609.231; 626.555, Subdivisions 1, 2 and 7; and Minnesota Statutes, 1975 Supplement, Sections 144.53; 144.571; 145.72, Subdivision 2; 145.74; and 214.01, Subdivision 2; repealing Minnesota Statutes 1974, Sections 144.584; 144.951; 144.953; 144.954; 144.955; 144.9555; 144.956; 144.957; 144.958; 144.959; 144.96; 144.961; 144.962; 144.963; 144.964; and 144.965; and Minnesota Statutes, 1975 Supplement, Section 144.952.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Tennessen; Keefe, J. and Milton introduced—

S. F. No. 1957: A bill for an act relating to medical assistance for the needy; prohibiting false claims for reimbursement; making certain vendors ineligible for reimbursement; providing access to certain medical records for verification of claims; amending Minnesota Statutes 1974, Sections 256B.064; 256B.27; Chapter 256B, by adding a section; Minnesota Statutes, 1975 Supplement, Section 609.52, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, S.; Keefe, J. and Milton introduced—

S. F. No. 1958: A bill for an act relating to medical assistance for the needy; directing the commissioner of public welfare to identify and investigate certain medical assistance abuses; requiring certain reports; amending Minnesota Statutes 1974, Section 256B.04, Subdivision 5, and by adding subdivisions.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, S.; Olson, A. G. and Milton introduced—

S. F. No. 1959: A bill for an act relating to nursing homes; establishing an office of nursing home complaints; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, J.; Lewis and Milton introduced—

S. F. No. 1960: A bill for an act relating to health care; clari-

fyng and expanding the patients' bill of rights; requiring certain notices; providing penalties; amending Minnesota Statutes 1974, Sections 144.651 and 144.652.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Milton, Mrs. Brataas and Mr. Lewis introduced—

S. F. No. 1961: A bill for an act relating to the elderly; establishing a state policy for older citizens dependent on long-term care and treatment.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Olson, A. G. and Hansen, Baldy introduced—

S. F. No. 1962: A bill for an act relating to game and fish; commercial fishing on Rainy Lake and Lake of the Woods; amending Minnesota Statutes 1974, Section 102.26, Subdivision 2.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Gearty introduced—

S. F. No. 1963: A bill for an act relating to the operation of state government; raising base salaries for certain executive branch employees, constitutional officers, judges and judicial branch employees; limiting possible increases for certain executive branch employees; requiring political subdivisions of the state to report certain salaries; providing for a report by the personnel board; amending Minnesota Statutes 1974, Sections 15A.081, by adding a subdivision; 15A.083, as amended; 43.062, Subdivision 3; 43.067; and 43.069; and Chapter 43, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 15A.081, Subdivision 1; repealing Minnesota Statutes 1974, Sections 15A.081, Subdivisions 1a and 4; 43.066; and 487.05.

Referred to the Committee on Governmental Operations.

Messrs. Anderson, Sillers and Hughes introduced—

S. F. No. 1964: A bill for an act relating to education; expanding reimbursement program for community school programs; authorizing state reimbursement for programs for children in state institutions; appropriating money; amending Minnesota Statutes, 1975 Supplement, Sections 124.271, Subdivision 2; and 124.32, Subdivision 3a; repealing Minnesota Statutes 1974, Section 275.39.

Referred to the Committee on Education.

Messrs. Gearty and Olhofft introduced—

S. F. No. 1965: A bill for an act relating to public health;

providing for care, medical treatment, and legal rights of live births resulting from abortions.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Hansen, Baldy introduced—

S. F. No. 1966: A bill for an act relating to agriculture; removing the exemption from corporate farming restrictions for certain agricultural land used for asparagus growing operations; amending Minnesota Statutes, 1975 Supplement, Section 500.24, Subdivision 2.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Wegener, Dunn and Olson, A. G. introduced—

S. F. No. 1967: A bill for an act relating to trusts; administration of express trusts by cities; amending Minnesota Statutes 1974, Section 501.11.

Referred to the Committee on Judiciary.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 1206: A bill for an act relating to state parks; exempting senior citizens from payment of certain fees; amending Minnesota Statutes 1974, Section 85.05, Subdivision 1.

There has been appointed as such committee on the part of the House:

Volk, Kahn and Searle.

Senate File No. 1206 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 2, 1976

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 9: A senate concurrent resolution relating to joint rules; providing deadlines for committee reports; amending Joint Rule 20.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 3, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 238, 681, 753, 945, 1078, 1880 and 1977.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 2, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 1895.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 4, 1976

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 238: A bill for an act relating to game and fish; restrictions upon the taking of pheasants; amending Minnesota Statutes 1974, Sections 100.27, Subdivision 5; and 100.28, Subdivision 2.

Referred to the Committee on Rules and Administration.

H. F. No. 681: A bill for an act relating to agricultural societies; prohibiting the exclusion of an agricultural society from certain appropriations unless the society is named in the appropriation.

Referred to the Committee on Finance.

H. F. No. 753: A bill for an act relating to game and fish; prohibiting taking of birds by certain methods; amending Minnesota Statutes 1974, Section 100.29, by adding a subdivision.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 945: A bill for an act relating to employment services; unemployment compensation; excluding and exempting family farm corporation officers from certain provisions; amending Minnesota Statutes 1974, Section 268.04, Subdivision 12, and by adding a subdivision.

Referred to the Committee on Labor and Commerce.

H. F. No. 1078: A bill for an act relating to real estate; requiring certain real estate developers to comply with trust account requirements; amending Minnesota Statutes, 1975 Supplement, Section 82.18.

Referred to the Committee on Rules and Administration.

H. F. No. 1880: A bill for an act relating to state lands; conveyance; authorizing the conveyance by the state of certain lands in the county of Kittson.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 1977: A bill for an act relating to the operation of government; changing the qualification for community school programs aid and for certain proceeds of the supplementary tax on taconite and iron sulphides; clarifying the provisions for certain reductions of foundation aid; sanctioning the reduction of certain levies and authorizing certain transfers of funds; amending Minnesota Statutes, 1975 Supplement, Sections 124.271, Subdivision 1; and 298.244, Subdivision 1.

Referred to the Committee on Rules and Administration.

H. F. No. 1895: A bill for an act relating to highway traffic regulations; brakes; amending Minnesota Statutes 1974, Section 169.67, Subdivision 3.

Referred to the Committee on Transportation and General Legislation.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 25: A bill for an act relating to housing; providing warranties on the sale of new housing upon the seller.

Reports the same back with the recommendation that the bill be amended as follows:

Strike the amendment adopted by the Senate May 19, 1975

Page 4, after line 28, insert:

“Subd. 2. At the time of entering into the contract, the vendee may waive warranty rights for mutually known defects provided

- (1) the waiver is in writing signed by both the vendor and vendee;
- (2) the defect waived is specifically and precisely described; and
- (3) the waiver of liability shall extend only to the defect as described.”

Renumber the subdivisions in sequence

Page 5, line 4, after “to” insert “the lesser of”

Page 5, line 10, strike “WARRNATIES” and insert “WARRANTIES”

Page 5, line 24, strike "applies to"

Page 5, line 25, strike "dwellings as defined in" and insert "conflicts with"

Page 5, line 27, strike "1976" and insert "1977"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 550: A bill for an act relating to civil actions; abolishing all civil causes of action for breach of promise to marry, alienation of affections, criminal conversation and seduction; providing penalties.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2 and 3, strike all of section 4

Renumber the sections in sequence

Page 3, line 16, before the period insert ", but shall not be construed to have any effect on actions already commenced"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1841: A bill for an act relating to state agencies; providing for an open appointment process; requiring reports from appointing authorities and the secretary of state.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 19, strike "One copy" and insert "Copies"

Page 2, line 21, after "cost" insert ", and copies shall be available at the office of secretary of state for viewing by interested persons"

Page 2, after line 21, insert the following paragraph:

"As used in this section, vacancies and vacant agency positions shall also include new positions created by law or by the action of the governor, an agency head or another agency. The provisions of subdivisions 2 to 4 shall not apply to a position which is held by a person solely because of his position or title."

Page 4, after line 23, insert:

"If the secretary of state determines that a vacant agency position was filled contrary to the procedures specified in this section, he shall immediately inform the chairman of the agency

and the appointing authority that the position is again vacant. The position shall be refilled consistent with subdivisions 2 to 4."

Page 4, strike lines 29 to 30

Page 4, line 31, strike "(c)" and insert "(b)"

Page 5, line 1, after the semicolon insert "and"

Page 5, line 2, strike "(d)" and insert "(c)"

Page 5, line 4, strike "(1)"

Page 5, line 5, strike ", (2) applicants for the vacant positions,"

Page 5, line 5, strike "(3)"

Page 5, line 6, strike "; and"

Page 5, strike lines 7 to 10

Page 5, line 11, strike everything before the period

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1849: A bill for an act relating to the legislature; creating a legislative commission on housing and community development; prescribing its powers and duties; requiring a report and budget estimate; and appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 31, strike "joint"

Page 2, line 32, strike "committee" and insert "commission"

Strike section 3 on pages 3 and 4 and renumber the remaining section

Page 4, line 4, strike "1979" and insert "1981"

Further amend the title as follows:

Line 5, strike "; and"

Line 6, strike "appropriating money"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1852: A bill for an act relating to the city of Fulda; validating election proceedings and authorizing the issuance of bonds of the city approved by the electors.

Reports the same back with the recommendation that the bill

do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1840: A bill for an act relating to the operation of government; changing the qualification for community school programs aid and for certain proceeds of the supplementary tax on taconite and iron sulphides; clarifying the provisions for certain reductions of foundation aid; sanctioning the reduction of certain levies and authorizing certain transfers of funds; amending Minnesota Statutes, 1975 Supplement, Sections 124.271, Subdivision 1; and 298.244, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 11, after "than" insert "105 percent of"

Page 2, line 14, strike "124.564" and insert "475.61"

Page 2, line 18, after "than" insert "105 percent of"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1570: A bill for an act relating to insurance; providing that the same priorities of security for payment of basic economic loss benefits apply to commercial vehicles as to other motor vehicles under the Minnesota no fault insurance act; amending Minnesota Statutes 1974, Section 65B.47, Subdivision 4; repealing Minnesota Statutes 1974, Section 65B.47, Subdivisions 1, 2 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 65B.47, Subdivision 1, is amended to read:

65B.47 [PRIORITY OF APPLICABILITY OF SECURITY FOR PAYMENT OF BASIC ECONOMIC LOSS BENEFITS.] Subdivision 1. In case of injury to the driver or other occupant of a motor vehicle *other than a vehicle being used to transport children to school or to a school sponsored activity*, if the accident causing the injury occurs while the vehicle is being used in the business of transporting persons or property, the security for payment of basic economic loss benefits is the security covering the vehicle, or, if none, the security under which the injured person is an insured."

Further, amend the title as follows:

Page 1, line 4, strike "commercial" and insert "school buses"

Page 1, line 5, before "as" strike "vehicles"

Page 1, line 5, strike "other" and insert "non-commercial"

Page 1, strike lines 8 and 9, and insert "Subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 525: A bill for an act relating to the legislature; establishing the Minnesota job and business climate interim study commission; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [MINNESOTA JOB AND BUSINESS CLIMATE INTERIM STUDY COMMISSION.] Subdivision 1. A commission is hereby created to study and consider Minnesota's job and business climate.

Subd. 2. The commission shall consist of three members of the house of representatives appointed by the speaker, three members of the senate appointed by the senate committee on committees, the commissioner of economic development and eight interested citizens, including the chairman, appointed by the governor. The eight citizen members appointed by the governor should include a representative of an industrial or business firm employing less than 100 people; a representative of an industrial or business firm employing 100 to 1,000 workers; a representative of an industrial or business firm employing over 1,000 workers; a representative of agri-business; two representatives from organized labor; and one farmer owner operator and one citizen at large. It is the intent of this act, in the appointment of such citizen members, that consideration be given to representation from a variety of types of business organizations, as well as broad geographic representation.

Subd. 3. The commission shall study all matters relating to Minnesota's job and business climate, including but not limited to matters of taxation, pollution control, environmental regulation, energy consumption and supply, transportation, incentives for development of new industry and jobs, labor relations, and the activities of the department of economic development.

Subd. 4. The commission may act from the time its members are appointed until the commencement of the next regular session of the legislature. It shall report its findings and recommendations to the legislature not later than November 15, 1976, and may supplement them thereafter until January 15, 1977.

Subd. 5. The commission may hold meetings and hearings at the times and places it designates to accomplish the purposes set forth in this act, and may subpoena witnesses and records. It shall select

a vice chairman, and other officers from its membership as it deems necessary.

Subd. 6. Members of the commission except the commissioner and house and senate members shall receive \$35 for each day that the commission meets and shall be allowed and paid their actual traveling and other expenses necessarily incurred in the performance of their duties. The commission may purchase supplies, hire employees, and do all things reasonably necessary and convenient to carry out the purposes of this act. The commission shall use the available facilities and personnel of the legislature and the revisor of statutes unless the commission by resolution determines a special need or reason exists for the use of other facilities or personnel. Reimbursement for expenses incurred shall be made pursuant to the rules governing state employees.

Subd. 7. There is appropriated from the general fund the sum of \$75,000, or as much thereof as may be necessary, to pay the expenses incurred by the commission. Expenses of the commission shall be approved by the chairman or another member as the rules of the commission provide and paid in the same manner that other state expenses are paid.

Sec. 2. This act is effective the day after final enactment and shall be in effect until December 31, 1977."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1796: A bill for an act relating to welfare; excluding certain payments made to members of Indian tribes from resources considered in determining eligibility for general assistance; amending Minnesota Statutes 1974, Section 256D.08, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1644: A bill for an act relating to public welfare; establishing a senior companion pilot program; appropriating funds.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [CITATION.] Sections 1 and 2 may be cited as the "Minnesota Senior Companion Act".

Sec. 2. [SENIOR COMPANION PROGRAM; ESTABLISHMENT.] Subdivision 1. [SENIOR COMPANIONS.] There is established a senior companion program to engage the services of low income persons aged 60 or over to provide supportive person

to person assistance in health, education, welfare and related fields primarily to handicapped adults and elderly people living in their own homes. Senior companions may also be used to provide such services to handicapped adults and elderly persons living or receiving care in resident group homes for dependent and neglected persons, nursing homes, private homes, or other public or private nonprofit institutions or agencies providing care for handicapped adults or elderly persons.

Subd. 2. [COMPENSATION.] Persons serving as senior companions shall be compensated for no more than 20 hours per week at an hourly rate not to exceed the rate established under the Older Americans Act. In addition, senior companions shall receive such other assistance as the Minnesota board on aging may prescribe. No person serving as a senior companion shall be terminated as a result of a change in the eligibility requirements set by the Minnesota board on aging, nor as a result of a change in his income, marital status, or number of dependents.

Subd. 3. [GRANTS.] The Minnesota board on aging may make grants-in-aid for the purchase of senior companion services by nonprofit agencies and institutions and individuals who have access to or responsibility for handicapped adults and the elderly. Applications to provide senior companion services to individuals in their homes shall have priority over applications to provide services to individuals living in group homes, nursing homes, or other institutions. Applications for grants shall be made on forms prescribed by the Minnesota board on aging.

Grants shall be paid as follows: ninety percent of the program expenditures authorized by the Minnesota board on aging shall be paid by the state and ten percent shall be paid by local matching funds. Grants shall be for a period of 12 months or less. Grants shall not be used to match other state funds nor shall any person paid from grant funds be used to replace any staff members of the grantee. Each grantee shall file a semiannual report with the Minnesota board on aging at the time and containing the information as the council shall prescribe.

Subd. 4. [RULES.] The governor's citizens council on aging shall promulgate rules necessary to implement the provisions of this act and may employ necessary assistance in performing its administrative duties. Rules adopted shall be consistent with applicable federal guidelines.

Sec. 3. [APPROPRIATION.] There is appropriated from the general fund to the Minnesota board on aging in the department of public welfare the sum of \$250,000 for the biennium ending June 30, 1977, for the purposes of this act.

Sec. 4. This act shall be effective July 1, 1976."

Amend the title as follows:

Page 1, line 3, strike "pilot"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1794: A bill for an act relating to courts; prescribing the jurisdictional limits of conciliation courts in the counties of Hennepin and Ramsey; amending Minnesota Statutes 1974, Sections 488A.12, Subdivision 3; and 488A.29, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 2, insert:

"Sec. 3. [EFFECTIVE DATE.] *This act is effective the day following its final enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1905: A bill for an act relating to evidence; limiting use of certain kinds of records of legislative proceedings.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1839: A bill for an act relating to judgments; providing for enforcement of foreign judgments in courts of this state.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1825: A bill for an act relating to crimes; prohibiting altering or removing a manufacturer's identification mark on personal property; providing penalties; amending Minnesota Statutes, 1975 Supplement, Section 609.52, Subdivision 2; repealing Minnesota Statutes 1974, Section 609.655.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1493: A bill for an act relating to natural resources; amending certain laws concerning minnows; amending Minnesota Statutes 1974, Sections 97.40, Subdivision 27; 97.45, Subdi-

vision 15; 97.55, Subdivision 13; 98.46, Subdivisions 5 and 17; and 101.42, Subdivisions 5 and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 20, strike "10" and insert "11"

Page 3, line 6, strike "1974" and insert ", 1975 Supplement"

Page 3, after line 28, insert "(7) To take, transport, purchase and possess for sale unprocessed turtles and tortoises within the state, \$25;"

Page 3, line 29, strike "(7)" and insert "(8)"

Page 3, line 32, strike "(8)" and insert "(9)"

Page 4, line 2, strike "(9)" and insert "(10)"

Page 4, line 6, strike "(10)" and insert "(11)"

Page 7, line 2, strike "1976" and insert "1977"

Amend the title as follows:

Line 6, strike "Subdivisions 5 and" and insert "Subdivision"

Line 6, after the semicolon, strike "and"

Line 7, before the period, insert "; and Minnesota Statutes, 1975 Supplement, Section 98.46, Subdivision 5"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1816: A bill for an act relating to game and fish; authorizing a season on fishers and additional moose seasons; amending Minnesota Statutes 1974, Section 100.27, Subdivisions 1, 2, as amended, and 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 7 to 12

Page 1, line 13, strike "Sec. 2" and insert "Section 1"

Page 1, line 13, strike "1974" and insert ", 1975, Supplement"

Page 1, line 14, strike "as amended by Laws 1975, Chapter 167, Section"

Page 1, line 15, strike "4,"

Page 2, strike lines 21 to 32

Page 3, strike lines 1 to 23

Amend the title as follows:

Line 2, strike "a season on"

Line 3, strike "fishers and"

Line 4, strike "1974" and insert ", 1975 Supplement"

Strike line 5 and insert "Subdivision 2."

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 692: A bill for an act relating to Scott county; appropriating funds to the Scott county historical society for completion of the Minnesota Valley restoration project.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, strike "SCOTT COUNTY HISTORICAL SOCIETY,"

Page 1, line 8, strike "Scott County" and insert "Minnesota State"

Page 1, line 10, strike "completion of" and insert "granting funds to"

Page 1, line 10, after "project" insert "for completion of the restoration project"

Amend the title as follows:

Line 2, strike "Scott county" and insert "historical restoration"

Line 3, strike "Scott county" and insert "Minnesota state"

Line 3, after "society" insert "to provide a grant"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1590: A bill for an act relating to elections; requiring the secretary of state to prescribe forms and uniform methods for the reporting of election returns; amending Minnesota Statutes 1974, Section 204.18, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "1974" and insert ", 1975 Supplement"

Page 1, line 8, strike "204.18" and insert "204A.46"

Page 1, line 12, after "the" insert "form and"

Page 1, line 15, after the period insert: *“Notwithstanding the provisions of sections 206.185, subdivision 5, and 206.21, subdivisions 1 and 2, precinct summary statements shall be submitted by the election judges in every precinct.”*

Page 1, after line 15, insert:

“Sec. 2. Minnesota Statutes, 1975 Supplement, Section 204A.51, is amended to read:

204A.51 [COUNTY CANVASSING BOARD.] Subdivision 1 [MEMBERSHIP.] The county canvassing board shall consist of the county auditor, the clerk of the district court, two members of the county board to be selected by the board from among its members who are not candidates for nomination or election to any office, and the mayor or president of the most populous municipality in the county. If any of these persons fail or refuse to serve on the canvassing board and in the absence of any selection by the county board from among its own members, the county auditor shall appoint a qualified voter of the county who may not hold or be a candidate for any public office, to take the place of the person on the canvassing board. Three members shall constitute a quorum and when sworn shall have the power to act.

Subd. 2. [COUNTY CANVASS, PRIMARY ELECTION INFORMATION REQUIRED.] The board shall meet at the auditor's office at 10:00 a.m. on or before the third day after the primary election, take the oath of office, and publicly canvass the returns of the election made to the county auditor. The board shall complete the canvass by the evening of the sixth day following the election, and it shall forthwith make the following report and file the same with the county auditor:

(a) A statement for each political party showing the names of all candidates thereof voted for at the primary election, the number of votes received by each, in each precinct and in the county, and for what office;

(b) A statement showing the names of candidates of each political party who are nominated;

(c) A statement of the total number of persons who voted at the election in the county, and in each precinct, and the number of ballots counted in each precinct, and in the county; and

(d) *A statement of the number of persons registering to vote on election day and the number of persons registered prior to election day; and*

~~(d)~~ (e) A statement of the votes received by each of the nonpartisan candidates in each precinct in the county and the names of the nonpartisan candidates nominated. If any candidates receive an equal number of votes for the same nomination, the canvassing board shall determine the tie by lot. Upon completion of the canvass, the county auditor shall forthwith certify to the secretary of state the vote, as shown by the report of the county canvassing board, for all candidates to be voted for in more than one county, and he shall mail or deliver to each nominee who is to be

voted for in his county only, a notice of his nomination and that his name will be placed upon the general election ballot.

If the difference between the votes of two or more candidates for legislative office which lies within a single county is 100 or less and the difference determines one or more nominations, the canvassing board shall recount the votes. A recount shall not delay any other part of the report of the board and shall be reported and certified as soon as possible. Time for notice of a contest of an election which is recounted shall begin to run upon completion of the recount and canvass for that office.

**Subd. 3. [COUNTY CANVASS, GENERAL ELECTION, INFORMATION REQUIRED.]** The canvassing board shall meet at the auditor's office on or before the third day after the general election, take the oath of office, and publicly canvass the returns of the general election made to the county auditor. The board shall complete the canvass without unnecessary delay, and it shall forthwith make the following report and file the same with the county auditor:

(a) A statement of the number of persons who voted at the election in each precinct in the county and the total number of persons who voted at the election in the county; and the number of white, pink, and canary ballots counted in each precinct in the county, and the total number of white, pink, and canary ballots counted in the county;

(b) *A statement of the number of persons registering to vote on election day and the number of persons registered prior to election day;*

~~(b)~~ (c) A statement of the names of all candidates for state offices, representatives and senators in the legislature, representatives and senators in congress, judges of the district court, and county offices; and the number of votes received by each in each precinct and in the whole county;

~~(e)~~ (d) A statement of the total number of votes counted for and against any proposed change of county lines or county seat; and

~~(d)~~ (e) A statement of the number of votes counted for and against any constitutional amendment or other proposition in any precinct, and the total number of votes counted therefor in the county.

If the difference between the votes of the candidates for legislative office which lies within a single county is 100 votes or less the canvassing board shall recount the votes. A recount shall not delay any other part of the report of the board and shall be reported and certified as soon as possible. Time for notice of a contest of an election which is recounted shall begin to run upon completion of the recount and canvass for that office.

In case of a tie, the canvassing board shall determine the results by lot. Upon completion of the canvass, the board shall declare the person receiving the highest number of votes for each county

office duly elected thereto; and when the county constitutes or contains a senatorial or representative district in the legislature, it shall declare the person receiving the highest number of votes for each office in the legislature duly elected.

Subd. 4. [COUNTY CANVASS, RETURNS, TO SECRETARY.] Two copies of each of the statements required in this section shall be made and certified under the official seal of the auditor; each enclosed in an envelope directed to the secretary of state, with the auditor's name and official address and the words, "Election Returns," endorsed thereon, and forwarded by different mails ~~within five days of each other~~. If neither copy is received by the secretary of state within 20 days after the election, he shall immediately notify the auditor of that fact, and the auditor shall transmit another copy thereof to the secretary by special messenger deputed by him."

Further amend the title as follows:

Page 1, line 4, after "returns;" insert "requiring certain information in returns and canvasses; and imposing certain duties on canvassing officers;"

Page 1, line 5, strike "1974, Section 204.18" and insert ", 1975 Supplement, Sections 204A.46"

Page 1, line 6, before the period insert "; and 204A.51"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1273: A bill for an act relating to fair campaign practices; permitting corporations to conduct non-partisan voter registration campaigns; amending Minnesota Statutes 1974, Section 211.27, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 210A.34, is amended by adding a subdivision to read:

*Subd. 5. As used in this section, the phrase "contribution or expenditure" shall not include the following activities of a civic or political nature by a corporation doing business in Minnesota, or be deemed to prohibit contributions or expenditures incidental or reasonably necessary or appropriate to such activities:*

*(a) Non-partisan voter registration and campaigns to encourage individuals to vote.*

*(b) Providing or affording access to corporate premises by political parties, organizations, political committees or candidates, or proponents or opponents of particular action on public issues, for the purpose of permitting expression of their views, distribu-*

*tion of literature, or other political activities; provided, however, that the affording or withholding of access to its premises for any political purpose shall be at the sole option and discretion of the corporation and subject to its reasonable regulation; and provided further, that in the event a corporation does elect to permit the use of its premises for political purposes, it shall do so on a basis which provides equal opportunity to and without the purpose or probable effect of favoring any political party, political committee, candidate, or position on a public issue over another.*

Sec. 2. Minnesota Statutes 1974, Section 10A.02, Subdivision 12, is amended to read:

Subd. 12. The commission may issue and publish advisory opinions on the requirements of sections 10A.01 to 10A.34 and 210A.34 based upon real or hypothetical situations. An application for an advisory opinion may be made only by those who wish to use the opinion to guide their own conduct. The commission shall issue written opinions on all such questions submitted to it within 30 days after receipt of written application, unless a majority of the commission agrees to extend the time limit.

Sec. 3. *This act is effective on the day following final enactment.*"

Amend the title as follows:

Page 1, line 4, after "campaigns" insert "and provide meeting facilities to political parties and candidates; authorizing the state ethics commission to issue and publish certain advisory opinions."

Page 1, line 5, strike "211.27" and insert "10A.02, Subdivision 12; and Minnesota Statutes, 1975 Supplement, Section 210A.34"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 238 and 1078 for proper reference, recommends the above House Files be re-referred to their respective Committees as follows:

H. F. No. 1078 to the Committee on Judiciary.

H. F. No. 238 to the Committee on Natural Resources and Agriculture.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 550, 1841, 1849, 1852, 1840, 1570, 1796, 1794, 1905, 1839, 1825, 1493, 1816, 1590 and 1273 were read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. No. 25 was read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Gearty moved that the name of Mr. Olhoft be added as co-author to S. F. No. 1878. The motion prevailed.

Mr. Sillers moved that the name of Mr. Humphrey be added as co-author to S. F. No. 1896. The motion prevailed.

Mr. Purfeerst moved that H. F. No. 1026 be taken from the table and referred to the Committee on Finance. The motion prevailed.

Mr. Gearty moved that the name of Mr. Ueland be added as co-author to S. F. No. 1794. The motion prevailed.

S. F. No. 22 and the Conference Committee Report thereon were reported to the Senate.

**CONFERENCE COMMITTEE REPORT ON S. F. NO. 22**

A bill for an act relating to education; the establishment of educational cooperative service units to provide educational services and programs on a regional basis; appropriating money therefor.

February 3, 1976

The Honorable Alec G. Olson  
President of the Senate

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 22 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendments and that S. F. No. 22 be further amended as follows:

Page 3, line 20, after "act" and before the period insert ", except that all school districts whose central administrative offices are within that ECSU whose boundaries coincide with those of development region 11 shall participate in the planning and planning research functions of that ECSU. No planning or planning research decision of that ECSU shall be binding on these region 11 districts"

Page 8, line 15, after "talents" insert "and special needs"

Page 10, line 22, strike "\$500,000" and insert "\$499,950"

Page 10, line 26, strike "\$30,000 per year" and insert "\$45,450"

Page 10, line 29, strike "annually"

Page 10, line 29, strike "\$55,000," and insert "\$90,900."

Page 10, strike lines 30 to 32

Page 11, strike line 1

The amendment to S. F. No. 22 adopted May 19, 1975, by

the House of Representatives adding a section be amended by adding a subdivision after subdivision 4 to read:

“Subd. 5. The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.”

Further, renumber the subdivisions accordingly

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Jerome M. Hughes; Douglas H. Sillers and Jerald C. Anderson

House Conferees: (Signed) Russell P. Stanton; Fred C. Norton and Ted Suss

Mr. Hughes moved that the foregoing recommendations and Conference Committee Report on S. F. No. 22 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 22: A bill for an act relating to education; the establishment of educational cooperative service units to provide educational services and programs on a regional basis; appropriating money therefor.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

And the roll being called, there were yeas 60 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Josefson	Moe	Renneke
Arnold	Doty	Keefe, J.	Nelson	Schmitz
Ashbach	Dunn	Keefe, S.	North	Sillers
Bang	Fitzsimons	Kirchner	Ogdahl	Solon
Bernhagen	Frederick	Kleinbaum	Olhoft	Spear
Blatz	Gearty	Kowalczyk	Olson, A. G.	Stassen
Borden	Hansen, Baldy	Larson	Olson, H. D.	Stokowski
Brataas	Hansen, Mel	Laufenburger	Olson, J. L.	Stumpf
Chenoweth	Hanson, R.	Lewis	Patton	Tennessee
Chmielewski	Hughes	McCutcheon	Perpich, A. J.	Ueland
Coleman	Humphrey	Merriam	Pillsbury	Wegener
Conzemiuss	Jensen	Milton	Purfeerst	Willet

Messrs. Knutson and Schrom voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Moe moved that the report from the Committee on Natural Resources and Agriculture, reported January 29, 1976, pertain-

ing to appointments, be taken from the table. The motion prevailed.

Mr. Moe moved that the foregoing report be now adopted. The motion prevailed.

Mr. Ueland requested division of the appointments with respect to Mr. Peter L. Gove. So the question was divided.

### CONFIRMATION

Mr. Moe moved that in accordance with the report from the Committee on Natural Resources and Agriculture, reported January 29, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

#### EXECUTIVE DIRECTOR OF THE MINNESOTA POLLUTION CONTROL AGENCY

Peter L. Gove, 339 East 43rd Street, Minneapolis, Hennepin County, effective June 25, 1975, for a term expiring January 1, 1979.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 57 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Josefson	North	Schaaf
Arnold	Davies	Keefe, S.	Ogdahl	Schmitz
Ashbach	Doty	Kirchner	Olhoft	Sillers
Bang	Dunn	Kleinbaum	Olson, A. G.	Solon
Berg	Fitzsimons	Kowalczyk	Olson, H. D.	Spear
Bernhagen	Frederick	Larson	Olson, J. L.	Stokowski
Blatz	Gearty	Laufenburger	O'Neill	Stumpf
Borden	Hansen, Baldy	Lewis	Patton	Wegener
Brataas	Hansen, Mel	Merriam	Perpich, A. J.	Willet
Chenoweth	Hanson, R.	Milton	Pillsbury	
Chmielewski	Hughes	Moe	Purfeerst	
Coleman	Humphrey	Nelson	Renneke	

Those who voted in the negative were:

Brown	Keefe, J.	Knutson	McCutcheon	Ueland
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The motion prevailed. So the appointment was confirmed.

### CONFIRMATION

Mr. Moe moved that in accordance with the report from the Committee on Natural Resources and Agriculture, reported January 29, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

#### DIRECTOR OF THE MINNESOTA ENERGY AGENCY

John P. Millhone, 761 Lincoln Avenue, St. Paul, Ramsey County, effective September 1, 1975, for a term expiring January 1, 1979.

The motion prevailed. So the appointment was confirmed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Anderson moved that H. F. No. 645 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

**ADOPTION OF CONFERENCE COMMITTEE REPORT**

Mr. Anderson moved that the recommendations and Conference Committee Report as printed in the Journal January 27, 1976 on H. F. No. 645 be now adopted, and that the bill be re-passed as amended by the Conference Committee.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 41 and nays 21, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Olson, A. G.	Spear
Arnold	Hughes	Lewis	Olson, J. L.	Stokowski
Chenoweth	Humphrey	McCutcheon	Perpich, G.	Stumpf
Coleman	Josefson	Merriam	Pillsbury	Tennessee
Conzemius	Keefe, S.	Milton	Purfeerst	Wegener
Davies	Kirchner	Moe	Schaaf	
Doty	Kleinbaum	Nelson	Schmitz	
Dunn	Knutson	North	Sillers	
Fitzsimons	Kowalczyk	Ogdahl	Solon	

Those who voted in the negative were:

Ashbach	Borden	Hansen, Mel	O'Neill	Willet
Bang	Brataas	Hanson, R.	Patton	
Berg	Brown	Jensen	Renneke	
Bernhagen	Chmielewski	Larson	Schrom	
Blatz	Hansen, Baldy	Olhoft	Stassen	

The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 645: A bill for an act relating to health; authorizing a state subsidy to local units of government for providing community health services; prescribing the powers of the state board of health; appropriating money.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

And the roll being called, there were yeas 53 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	North	Schmitz
Arnold	Fitzsimons	Kleinbaum	Ogdahl	Sillers
Bang	Frederick	Knutson	Olson, A. G.	Solon
Blatz	Gearty	Kowalczyk	Olson, H. D.	Spear
Borden	Hansen, Mel	Laufenburger	Olson, J. L.	Stokowski
Brataas	Hanson, R.	Lewis	O'Neill	Stumpf
Chenoweth	Hughes	McCutcheon	Perpich, A. J.	Tennessee
Coleman	Humphrey	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Pillsbury	Wegener
Davies	Keefe, J.	Moe	Purfeerst	
Doty	Keefe, S.	Nelson	Schaaf	

Those who voted in the negative were:

Ashbach	Brown	Jensen	Patton	Stassen
Berg	Chmielewski	Larson	Renneke	Willet
Bernhagen	Hansen, Baldy	Olhoft	Schrom	

So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Milton moved that the name of Mr. North be added as co-author to S. F. No. 1956. The motion prevailed.

#### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Blatz in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Blatz reported that the committee had considered the following:

S. F. Nos. 53, 1805, 1736 and 687, also H. F. Nos. 718 and 1145, which the committee recommends to pass.

And then, on motion of Mr. Blatz, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 11:45 o'clock a.m., Monday, February 9, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-FIFTH DAY

St. Paul, Minnesota, Monday, February 9, 1976

The Senate met at 11:45 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Arnold	Doty	Jensen	Milton	Schaaf
Ashbach	Fitzsimons	Keefe, S.	Moe	Schmitz
Bang	Frederick	Kirchner	Ogdahl	Schrom
Berg	Gearty	Kleinbaum	Olson, A. G.	Spear
Bernhagen	Hansen, Baldy	Knutson	Olson, J. L.	Stokowski
Blatz	Hansen, Mel	Kowalczyk	O'Neill	Stumpf
Chmielewski	Hanson, R.	Larson	Patton	Tennessee
Coleman	Hughes	Lewis	Pillsbury	Ueland
Davies	Humphrey	Merriam	Purfeerst	Wegener

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Phil Crum.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Kirchner	Ogdahl	Schrom
Arnold	Doty	Kleinbaum	Olhoft	Sillers
Ashbach	Fitzsimons	Knutson	Olson, A. G.	Solon
Bang	Frederick	Kowalczyk	Olson, H. D.	Spear
Berg	Gearty	Larson	Olson, J. L.	Stassen
Bernhagen	Hansen, Baldy	Lewis	O'Neill	Stokowski
Blatz	Hansen, Mel	McCutcheon	Patton	Stumpf
Brataas	Hanson, R.	Merriam	Pillsbury	Tennessee
Brown	Hughes	Milton	Purfeerst	Ueland
Chenoweth	Humphrey	Moe	Renneke	Wegener
Chmielewski	Jensen	Nelson	Schaaf	Willet
Coleman	Keefe, S.	North	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Borden; Conzemius; Dunn; Josefson; Keefe, J.; Lauf-enburger; Perpich, A. J. and Perpich, G. were excused from the Session of today.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

February 6, 1976

The Honorable Alec Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate Files:

S. F. No. 816, An Act relating to towns; requiring towns to file financial reports with the state auditor; amending Minnesota Statutes 1974, Section 366.22.

S. F. No. 866, An Act relating to liquor; abolishing the office of liquor control commissioner and transferring the powers and duties thereof to the commissioners of public safety and revenue; amending Minnesota Statutes 1974.

S. F. No. 906, An Act relating to plats and surveys; filing and certification thereof; providing an increase in the filing fees charged by the register of deeds; amending Minnesota Statutes 1974, Section 505.08, Subdivision 2.

S. F. No. 1507, An Act relating to Ramsey County; reestablishing the office of county surveyor and abolishing the plat commission; amending Laws 1974, Chapter 435, Section 3.18, and by adding a section; and repealing Laws 1974, Chapter 435, Section 3.15.

Sincerely,  
Wendell R. Anderson, Governor

February 6, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Louis V. Zelle, 1 Teal Island Road, North Oaks, Ramsey County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 3, 1977.

James Glazman, 1811 Vermillion Road, Duluth, St. Louis County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 3, 1977.

Phillip Von Blon, 2121 Dwight Lane, Minnetonka, Hennepin County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 3, 1977.

Kenneth Dayton, 392 Ferndale Road, Wayzata, Hennepin County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 2, 1978.

Mrs. Alvinia O'Brien, 480 Grand Hill, St. Paul, Ramsey County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 2, 1978.

Dr. Walter S. Prausnitz, 2614 - 11th Street, Moorhead, Clay County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 1, 1979.

Miss Laura Jane Musser, 608 Highland, Little Falls, Morrison County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 1, 1979.

Mrs. Arlene Helgeson, Route 2, North River Road, St. Cloud, Stearns County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 1, 1979.

Mrs. Sandra Hale, 1833 Girard Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 7, 1980.

Mrs. Anne Marie Plunkett, Windamere, Rochester, Olmsted County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 7, 1980.

Dr. Alvin Zelickson, 101 Ardmore Drive, Minneapolis, Hennepin County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 7, 1980.

Sincerely,

Wendell R. Anderson, Governor

Referred to the Committee on Transportation and General Legislation.

#### **INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Mr. Perpich, G. introduced—

S. F. No. 1968: A bill for an act relating to motor vehicles; permitting seasonal registration plates; establishing procedures; providing penalties; amending Minnesota Statutes 1974, Chapter 168, by adding a section.

Referred to the Committee on Transportation and General Legislation.

Messrs. Hansen, Baldy; and Keefe, S. introduced—

S. F. No. 1969: A bill for an act relating to public employment labor relations; establishing a procedure for the disposition of unfair labor practice claims; amending Minnesota Statutes 1974, Sections 15.0411, Subdivision 2, as amended; 15A.081, Subdivision 1, as amended; 179.64, Subdivisions 5 and 7; 179.67, Subdivisions 3 and 13; 179.68, Subdivision 1; 179.72, Subdivisions 1, 2, 3 and 4; and Chapter 179, by adding a section.

Referred to the Committee on Labor and Commerce.

Mr. Kleinbaum introduced—

S. F. No. 1970: A bill for an act relating to the city of St. Cloud; authorizing the city of St. Cloud to grant certain powers and duties to a commission, department, or director of civil rights or human relations and to subject certain areas of city government to the civil rights ordinance.

Referred to the Committee on Local Government.

Messrs. Moe, Fitzsimons and Laufenburger introduced—

S. F. No. 1971: A bill for an act relating to transportation; providing for rail transportation improvements throughout the state; creating the Minnesota rail line improvement fund; authorizing the development of a state plan for rail transportation and a feasibility study of rail line acquisition by the state or by a political subdivision of the state; appropriating money.

Referred to the Committee on Transportation and General Legislation.

Messrs. Anderson, Dunn and Humphrey introduced—

S. F. No. 1972: A bill for an act relating to education; providing standards for the education of handicapped children; requiring a hearing and appeals process; providing benefits for all handicapped children residing in the school district; amending Minnesota Statutes 1974, Section 120.17, Subdivisions 3, 4, and by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1.

Referred to the Committee on Education.

Messrs. Davies, Jensen and Merriam introduced—

S. F. No. 1973: A bill for an act relating to courts; time limitations on actions when party is outside the state; amending Minnesota Statutes 1974, Section 541.13.

Referred to the Committee on Judiciary.

Messrs. Davies, Jensen and Merriam introduced—

S. F. No. 1974: A bill for an act relating to courts; lapse of causes of action arising outside the state; amending Minnesota Statutes 1974, Section 541.14.

Referred to the Committee on Judiciary.

Messrs. Wegener, Dunn and Purfeerst introduced—

S. F. No. 1975: A bill for an act relating to agriculture; changing the duty of the commissioner of agriculture in establishing standards, grades, and price differentials for milk and cream from man-

datory to permissive; amending Minnesota Statutes 1974, Section 32.401, Subdivision 1.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Davies, Schrom and Jensen introduced—

S. F. No. 1976: A bill for an act relating to workmen's compensation; providing for third party liability; amending Minnesota Statutes 1974, Section 176.061, Subdivision 3; repealing Minnesota Statutes 1974, Section 176.061, Subdivision 10.

Referred to the Committee on Labor and Commerce.

Messrs. Davies and Keefe, S. introduced—

S. F. No. 1977: A bill for an act relating to revolving charge accounts; computation of average daily balance; amending Minnesota Statutes 1974, Section 334.16, by adding a subdivision.

Referred to the Committee on Labor and Commerce.

Messrs. Jensen, Gearty and O'Neill introduced—

S. F. No. 1978: A bill for an act relating to taxation; providing that joint property be subject to inheritance tax in an amount proportionate to the number of joint tenants; amending Minnesota Statutes 1974, Section 291.01, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dunn, Wegener and Fitzsimons introduced—

S. F. No. 1979: A bill for an act relating to hospitals; providing for loans to medical students who agree to practice in the hospital district; amending Minnesota Statutes 1974, Chapter 447, by adding a section.

Referred to the Committee on Health, Welfare and Corrections. Mr. Lewis questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Kleinbaum introduced—

S. F. No. 1980: A bill for an act relating to taxation; imposing a gross earnings tax on electric utilities; amending Minnesota Statutes 1974, Section 295.01, by adding a subdivision, and Chapter 295, by adding sections; and repealing Minnesota Statutes 1974, Sections 273.36; 273.37; 273.38; 273.39; 273.40; 273.42; and Minnesota Statutes, 1975 Supplement, Section 273.41.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Laufenburger, Frederick and Chmielewski introduced—

S. F. No. 1981: A bill for an act relating to veterans affairs; applications for adjusted compensation; establishing an application time limit; extending the appropriation expiration date; amending Minnesota Statutes, 1975 Supplement, Section 197.973; and Laws 1975, Chapter 3, Section 2.

Referred to the Committee on Transportation and General Legislation.

Messrs. Olson, A. G.; Knutson and Davies introduced—

S. F. No. 1982: A bill for an act relating to insurance; providing for certain mandatory deductible offerings; amending Minnesota Statutes 1974, Section 65B.49, Subdivision 5.

Referred to the Committee on Labor and Commerce.

Mr. Chmielewski introduced—

S. F. No. 1983: A bill for an act relating to peace officer training courses; exempting part time peace officers from mandatory state peace officer's training programs; amending Minnesota Statutes 1974, Sections 626.846 and 626.847.

Referred to the Committee on Judiciary.

Mr. Borden introduced—

S. F. No. 1984: A bill for an act relating to animals; providing reimbursement to counties which incur expenses for animal care; requiring peace officers to provide care for animals found exposed; amending Minnesota Statutes 1974, Chapter 346, by adding a section; and Section 346.27, Subdivision 1.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Borden introduced—

S. F. No. 1985: A bill for an act relating to public employees; providing for payment of attorney's fees necessary to obtain benefits for survivors of peace officers killed in line of duty; amending Minnesota Statutes 1974, Chapter 352E, by adding a section.

Referred to the Committee on Judiciary.

Mr. Perpich, A. J. introduced—

S. F. No. 1986: A bill for an act relating to the city of Eveleth; increase in police pensions; amending Laws 1965, Chapter 636, Section 8, as added.

Referred to the Committee on Governmental Operations.

Mr. Perpich, A. J. introduced—

S. F. No. 1987: A bill for an act relating to the city of Eveleth; firemen's pensions therein; amending Laws 1935, Chapter 208, Section 11, as added.

Referred to the Committee on Governmental Operations.

Mr. Willet introduced—

S. F. No. 1988: A bill for an act relating to crimes; providing penalties for operating a vehicle in so careless a manner as to cause death; amending Minnesota Statutes 1974, Chapter 609, by adding a section.

Referred to the Committee on Judiciary.

Mr. Willet introduced—

S. F. No. 1989: A bill for an act relating to crimes; providing penalties for the assault of a peace officer; amending Minnesota Statutes 1974, Chapter 609, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Olson, J. L.; Laufenburger and Frederick introduced—

S. F. No. 1990: A bill for an act relating to highway traffic regulations; authorizing certain juveniles to drive motor vehicles on the public highways between certain hours; amending Minnesota Statutes 1974, Section 169.131.

Referred to the Committee on Transportation and General Legislation.

Messrs. Wegener, Larson and Olson, H. D. introduced—

S. F. No. 1991: A bill for an act relating to education; providing for loans to medical students on certain conditions; amending Minnesota Statutes, 1975 Supplement, Section 147.30.

Referred to the Committee on Education. Mr. Lewis questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Doty, Stokowski and Stumpf introduced—

S. F. No. 1992: A bill for an act relating to retirement; allowing full retirement benefits to public employees attaining a certain combination of age and service; amending Minnesota Statutes 1974, Section 353.30, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Doty, Stokowski and Stumpf introduced—

S. F. No. 1993: A bill for an act relating to retirement; sur-

vivor benefits for survivors of deceased public employees; amending Minnesota Statutes 1974, Section 353.30, Subdivision 3.

Referred to the Committee on Governmental Operations.

Messrs. Doty, Stokowski and Stumpf introduced—

S. F. No. 1994: A bill for an act relating to retirement; providing cost of living increases to retired public employees and survivors thereof; amending Minnesota Statutes 1974, Chapter 353, by adding a section.

Referred to the Committee on Governmental Operations.

Messrs. Laufenburger, Ogdahl and Olson, H. D. introduced—

S. F. No. 1995: A bill for an act relating to the state transportation system; creating the Minnesota State transportation fund; appropriating money therefrom for construction and reconstruction of bridges and bridge approaches; authorizing the issuance of state bonds therefor pursuant to article XI of the constitution.

Referred to the Committee on Transportation and General Legislation.

Messrs. Willet, Larson and Chmielewski introduced—

S. F. No. 1996: A bill for an act relating to counties; authorizing county boards to furnish board and certain other services to prisoners in county jails; amending Minnesota Statutes, 1975 Supplement, Section 387.20, Subdivision 6.

Referred to the Committee on Local Government.

Messrs. Schrom, Gearty and Jensen introduced—

S. F. No. 1997: A bill for an act relating to taxation; credits on tax on fermented malt beverages; amending Minnesota Statutes 1974, Section 340.47, Subdivisions 2 and 2a.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, S.; Hansen, Mel; and Schaaf introduced—

S. F. No. 1998: A bill for an act relating to elections; providing certain changes in voter registration; amending Minnesota Statutes 1974, Sections 201.091, Subdivisions 2 and 3, and by adding a subdivision; and 201.121, Subdivision 2.

Referred to the Committee on Transportation and General Legislation.

Messrs. Keefe, S.; Hansen, Mel; and Schaaf introduced—

S. F. No. 1999: A bill for an act relating to elections; preparation

of ballots; amending Minnesota Statutes 1974, Section 208.04; repealing Minnesota Statutes 1974, Sections 208.21 to 208.35.

Referred to the Committee on Transportation and General Legislation.

Mr. Keefe, S. introduced—

S. F. No. 2000: A bill for an act relating to consumer protection; authorizing manufacturers and sellers to provide product accident benefits coverage; establishing procedures; setting standards for reimbursement of expenses incurred; requiring disclosure of certain information.

Referred to the Committee on Judiciary.

Messrs. Keefe, S.; Bang and Borden introduced—

S. F. No. 2001: A bill for an act relating to intoxicating liquors; requiring licensed importers to offer wine to licensed wholesalers and manufacturers on an equal basis; amending Minnesota Statutes 1974, Section 340.114, Subdivisions 2 and 4.

Referred to the Committee on Labor and Commerce.

Messrs. McCutcheon, Ogdahl and Chenoweth introduced—

S. F. No. 2002: A bill for an act relating to insurance; providing for interest on unpaid benefits; amending Minnesota Statutes 1974, Section 61A.03.

Referred to the Committee on Labor and Commerce.

Messrs. Ueland, Kleinbaum and Hansen, Mel introduced—

S. F. No. 2003: A bill for an act relating to retirement; mandatory retirement of state university and community college personnel; amending Minnesota Statutes 1974, Section 354.44, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 354.44, Subdivision 1a.

Referred to the Committee on Governmental Operations.

Messrs. Davies, Blatz and Merriam introduced—

S. F. No. 2004: A bill for an act relating to state government; providing for removal of officers who misappropriate state funds; amending Minnesota Statutes 1974, Section 10.31.

Referred to the Committee on Governmental Operations.

Messrs. Davies, Blatz and Merriam introduced—

S. F. No. 2005: A bill for an act relating to unlawful termination of life; providing that it is no defense to an action for death

by wrongful act and certain crimes that after the act constituting the basis for civil or criminal liability was committed medical treatment was withdrawn from the victim; amending Minnesota Statutes 1974, Section 573.02, by adding a subdivision; and Chapter 609, by adding a section.

Referred to the Committee on Judiciary.

Mr. Perpich, A. J. introduced—

S. F. No. 2006: A bill for an act relating to taxation; providing local option to specified counties to receive property tax payments from state for state owned land; providing an appropriation.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S. F. No. 2007: A bill for an act relating to the city of Pine City; appropriating money for a city swimming pool under certain conditions.

Referred to the Committee on Local Government.

Messrs. Olson, H. D.; Patton and Chmielewski introduced—

S. F. No. 2008: A bill for an act relating to counties; providing that county libraries receive copies of state statutes and the state register; appropriating money; amending Minnesota Statutes 1974, Sections 15.051, by adding a subdivision; and 482.07, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Olson, H. D.; Patton and Chmielewski introduced—

S. F. No. 2009: A bill for an act relating to real estate; prescribing effect of certain acts on contract for deeds; amending Minnesota Statutes 1974, Chapter 559, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Patton; Olson, H. D. and Kleinbaum introduced—

S. F. No. 2010: A bill for an act relating to unemployment compensation; prohibiting payment of benefits to persons voluntarily terminating employment without good cause; amending Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Merriam, Dunn and Olson, H. D. introduced—

S. F. No. 2011: A bill for an act relating to game and fish;

removing lynx from the definition of unprotected animals; authorizing the commissioner of natural resources to establish a season for taking lynx; amending Minnesota Statutes 1974, Section 100.27, Subdivision 7; Minnesota Statutes, 1975 Supplement, Sections 100.26, Subdivision 1; and 100.27, Subdivision 3.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Keefe, S.; Keefe, J. and Lewis introduced—

S. F. No. 2012: A bill for an act relating to welfare; duties of the commissioner of public welfare; providing for standards for payment of the state share of medical costs for indigent persons; amending Minnesota Statutes, 1975 Supplement, Section 261.232.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Chenoweth, Gearty and Keefe, J. introduced—

S. F. No. 2013: A bill for an act relating to the metropolitan waste control commission; limiting bonding and capital expenditures by the commission; amending Minnesota Statutes, 1975 Supplement, Sections 473.535; and 473.541, by adding a subdivision.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Chenoweth, Stokowski and Ogdahl introduced—

S. F. No. 2014: A bill for an act relating to retirement; increasing certain benefits and annuities; appropriating money.

Referred to the Committee on Governmental Operations.

Messrs. Bernhagen, Schmitz and Josefson introduced—

S. F. No. 2015: A bill for an act relating to taxation; compensation for collection of sales taxes; amending Minnesota Statutes 1974, Section 297A.26, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Bernhagen, Schrom and Dunn introduced—

S. F. No. 2016: A bill for an act relating to transportation; eliminating a proposed amendment to Article XIV of the state constitution; repealing Laws 1975, Chapter 203, Sections 25 and 26.

Referred to the Committee on Transportation and General Legislation.

Messrs. Spear, Ogdahl and Coleman introduced—

S. F. No. 2017: A bill for an act relating to unemployment compensation; eliminating the requirement that employees who are not participating or involved in a labor dispute be disqualified from benefits for a week; amending Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Olhoft and Stumpf introduced—

S. F. No. 2018: A bill for an act relating to controlled substances; scheduling certain substances; amending Minnesota Statutes 1974, Section 152.02, Subdivision 5.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Stumpf and Larson introduced—

S. F. No. 2019: A bill for an act relating to commerce; regulating open contract sales; providing that the contract of sale involved in an open contract sale and a statement of its charges and payment be returned to the purchaser upon payment of the obligation.

Referred to the Committee on Labor and Commerce.

Messrs. Stumpf; Olson, H. D. and Spear introduced—

S. F. No. 2020: A bill for an act relating to landlords and tenants; providing for restrictions on penalties for late rental payments; amending Minnesota Statutes 1974, Chapter 504, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Stumpf, Ogdahl and Kleinbaum introduced—

S. F. No. 2021: A bill for an act relating to unemployment compensation; excluding vacation allowance and holiday pay and certain other fringe benefits in computing weekly unemployment benefits; amending Minnesota Statutes, 1975 Supplement, Sections 268.07, Subdivision 2; and 268.08, Subdivision 3.

Referred to the Committee on Labor and Commerce.

Messrs. Stumpf; Keefe, J. and Doty introduced—

S. F. No. 2022: A bill for an act relating to motor vehicles; exempting certain vehicles from license fee requirements; amending Minnesota Statutes 1974, Section 168.012, by adding a subdivision.

Referred to the Committee on Transportation and General Legislation.

Mr. Ogdahl introduced—

S. F. No. 2023: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

Referred to the Committee on Transportation and General Legislation.

Mr. Ogdahl introduced—

S. F. No. 2024: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

Referred to the Committee on Transportation and General Legislation.

Mrs. Brataas and Messrs. Lewis and Knutson introduced—

S. F. No. 2025: A bill for an act relating to nursing homes; requiring training for certain nursing assistants.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Anderson, McCutcheon and Knutson introduced—

S. F. No. 2026: A bill for an act relating to medicine; standard of care in the medical and allied professions.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Moe introduced—

S. F. No. 2027: A bill for an act relating to natural resources; providing general condemnation power upon obtaining consent of landowner; amending Minnesota Statutes 1974, Section 84.027, by adding a subdivision.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Anderson, McCutcheon and Knutson introduced—

S. F. No. 2028: A bill for an act relating to civil procedure; admission of certain evidence in negligence actions.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Hughes, Knutson and Conzemius introduced—

S. F. No. 2029: A bill for an act relating to medical assistance; providing that filing of false claims by vendors of medical care is theft; providing a penalty; amending Minnesota Statutes, 1975 Supplement, Section 256.98.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Spear, Sillers and Merriam introduced—

S. F. No. 2030: A bill for an act relating to elections; providing for the affidavits of candidacy of candidates for judicial office; amending Laws 1975, Chapter 5, Section 12, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Moe introduced—

S. F. No. 2031: A bill for an act relating to county agricultural societies; authorizing the renewal of the period of corporate existence of certain agricultural societies whose period of duration has expired; validating acts done and contracts made subsequent to the expiration of the corporate existence.

Referred to the Committee on Local Government.

Messrs. Moe, Knutson and McCutcheon introduced—

S. F. No. 2032: A bill for an act relating to public welfare; establishing pilot programs for community mental health treatment; naming a nonprofit corporation to administer programs; appropriating money; amending Minnesota Statutes 1974, Chapter 245, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, S.; O'Neill and Hansen, Baldy introduced—

S. F. No. 2033: A bill for an act relating to municipalities; temporary investment of surplus funds; amending Minnesota Statutes, 1975 Supplement, Section 471.561.

Referred to the Committee on Labor and Commerce.

Messrs. Purfeerst and Frederick introduced—

S. F. No. 2034: A bill for an act relating to natural resources; authorizing the marking and designation of canoe and boating routes on the Straight river; amending Minnesota Statutes 1974, Section 85.32, Subdivision 1.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Olhoft introduced—

S. F. No. 2035: A bill for an act relating to the city of Browns Valley; providing for property value assessment in the city.

Referred to the Committee on Local Government.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the

recommendation and report of the Conference Committee on Senate File No. 22, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 22: A bill for an act relating to education; the establishment of educational cooperative service units to provide educational services and programs on a regional basis; appropriating money therefor.

Senate File No. 22 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 5, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 1530.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 4, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 454.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 5, 1976

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 454: A bill for an act relating to game and fish; seasons and licenses for taking of game; amending Minnesota Statutes 1974, Section 98.46, Subdivisions 2 and 14; and Minnesota Statutes, 1975 Supplement, Section 100.27, Subdivision 2.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 1530: A bill for an act relating to metropolitan land use and planning; providing certain requirements and procedures for local governmental units and school districts in the metropolitan area; providing interim zoning; amending Minnesota Statutes 1974, Section 462.365, by adding a subdivision; Minnesota Statutes, 1975 Supplement, Section 473.175.

Referred to the Committee on Rules and Administration.

#### REPORTS OF COMMITTEES

Mr. Davies moved that the Committee Reports at the Desk be

now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 404: A bill for an act relating to banks; cash reserves of banks and trust companies; recordkeeping of savings associations; amending Minnesota Statutes 1974, Sections 48.22; and 51A.19, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 13, insert:

“Sec. 3. Minnesota Statutes 1974, Chapter 48, is amended by adding a section to read:

[48.159] [OPEN END LOAN ACCOUNT ARRANGEMENTS.] *Subdivision 1. Any bank organized under the laws of this state, any national banking association doing business in this state, and any savings bank organized and operated pursuant to Minnesota Statutes, Chapter 50, shall have the power to extend credit through an open end loan account arrangement with a debtor, pursuant to which the debtor may obtain loans from time to time by cash advances, purchase or satisfaction of the obligations of the debtor incurred pursuant to a credit card plan, or otherwise under a credit card or overdraft checking plan.*

*Subd. 2. No bank shall extend credit which would cause the total outstanding balance of the debtor on accounts created pursuant to the authority of this section to exceed \$7,500. No savings bank shall extend credit which would cause the outstanding balance of the debtor to exceed \$5,000, nor shall it extend such credit for any purposes other than personal, family or household purposes, nor shall it extend such credit to any person other than a natural person.*

*Subd. 3. A bank or savings bank may collect a periodic rate of finance charge in connection with extensions of credit pursuant to this section which does not exceed one percent per month computed on an amount no greater than the average daily balance of the account during each monthly billing cycle.*

*Subd. 4. No charges other than those provided for in subdivision 3 shall be made directly or indirectly for any credit extended under the authority of this section, except that there may be charged to the debtor:*

*(a) Annual charges, not to exceed \$15 per annum, payable in advance, for the privilege of using a bank credit card which entitled the debtor to purchase goods or services from merchants, under an arrangement pursuant to which the debts resulting from the purchases are paid or satisfied by the bank or savings bank and charged to the debtor's open end loan account with the bank or savings bank.*

*(b) Charges for premiums on credit life and credit accident and health insurance if:*

*(i) the insurance is not required by the bank or savings bank and this fact is clearly disclosed in writing to the debtor and*

*(ii) the debtor is notified in writing of the cost of such insurance and affirmatively elects, in writing, to purchase such insurance.*

*Subd. 5. If the balance in a revolving loan account under a credit card plan is attributable solely to purchases of goods or services charged to the account during one billing cycle, and the account is paid in full before the due date of the first statement issued after the end of that billing cycle, no finance charge shall be charged on that balance.*

*Subd. 6. This act shall apply to all open end credit transactions of a bank or savings bank in extending credit under an open end loan account or other open end credit arrangement with a person who is a resident of this state, regardless of the place of making or place of performance of such contractual arrangement. A term of a writing or credit card device executed or signed by a person to evidence an open end credit arrangement specifying:*

*(a) that the law of another state shall apply;*

*(b) that the person consents to the jurisdiction of another state; and*

*(c) which fixes venue,*

*is invalid with respect to open end credit transactions to which this act applies. An open end credit arrangement, made in another state with a person who was a resident of that state when the open end credit arrangement was made, is valid and enforceable in this state according to its terms to the extent that it is valid and enforceable under the laws of the state applicable to the transaction.*

*Subd. 7. Any bank or savings bank extending credit in compliance with the provisions of this act which is injured competitively by violations of this act by another bank or savings bank may institute a civil action in the district courts of this state against such bank or savings bank for an injunction prohibiting any violation of the provisions of this act. The court, upon proper proof that the defendant has engaged in the practice in violation of the provisions of this act, may enjoin the future commission of such practice. Proof of monetary damage or loss of profits is not required. Costs and attorneys' fees may be allowed to the plaintiff, unless the court otherwise directs. The relief provided in this subdivision is in addition to remedies otherwise available against the same conduct under the common law or other statutes of this state.*

*Service of process shall be as in any other civil suit, except that where a defendant in such action is a foreign corporation or a national banking association with its principal place of business in another state, service of process may also be made by personal service outside the state, or in the manner provided by section 303.13, subdivision 1, clause (3), or in such manner as the court may direct. Process is valid if it satisfies the requirements of due process of law, whether or not defendant is doing business in Minnesota regularly or habitually."*

Page 4, line 15, strike "1975" and insert "1976"

Renumber sections in sequence

Further, amend title as follows:

Page 1, line 4, after the semicolon insert "providing for open end loans; territorial restrictions; remedies for violations;"

Page 1, line 5, before the period insert "; and Chapter 48, by adding a section"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred the following appointment as reported in the Journal for January 27, 1976:

### MINNESOTA TAX COURT

Earl Gustafson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Davies moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 109: A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall serve at the pleasure of the governor; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 16.01; 16A.01, Subdivision 2; 17.01; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 161.03, Subdivision 1; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06; 241.01, Subdivision 1; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivision 1; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes 1974, Section 15.06, is amended to read:

15.06 [APPOINTMENT OF DEPARTMENT HEADS; TERMS; DEPUTIES.] *Subdivision 1.* [APPLICABILITY.] *This section applies to the following departments or agencies: the departments of administration, aeronautics, agriculture, corrections, economic development, education, employment services, finance, health, highways, human rights, labor and industry, natu-*

ral resources, personnel, public safety, public welfare, revenue, and veterans affairs; the banking, insurance and securities divisions and the consumer services section of the department of commerce; the energy, housing finance and pollution control agencies; the office of director of the department of public service; the office of commissioner of iron range resources and rehabilitation; and the bureau of mediation services. The heads of the foregoing departments or agencies are referred to in this section as "commissioners".

**Subd. 2. [ASSUMPTION OF OFFICE.]** *The appointing authority shall submit to the president of the senate the name of an appointee as commissioner within 90 days after the end of the term of a commissioner as defined in subdivision 3 and within 90 days after the occurrence of a vacancy as defined in section 351.02. The commissioner shall take office when the senate notifies the appointing authority that it has advised and consented to the appointment. Prior to the advice and consent of the senate, the appointing authority may designate the appointee as "acting commissioner", and upon this designation the appointee shall immediately have all the powers and emoluments and perform all the duties of the office. No person shall serve as acting commissioner after the senate has voted to refuse to advise and consent to his appointment.*

**Subd. 3. [TERM.]** *The term of a commissioner shall end with the term of the governor. A commissioner other than the commissioner of personnel shall serve at the pleasure of the appointing authority.*

**Subd. 4. [END OF TERM; VACANCY; ACTING COMMISSIONER.]** *At the end of the term of a commissioner, the incumbent commissioner may at the discretion of the appointing authority serve as acting commissioner until his successor is appointed and qualifies. If at the end of a term of a commissioner the incumbent commissioner is not designated as acting commissioner, or if a vacancy as defined in section 351.02 occurs in the office of a commissioner, the deputy commissioner as defined in subdivision 6 shall immediately become temporary commissioner without further official action. If there is more than one deputy commissioner, the appointing authority of the commissioner shall designate which of the deputies shall be temporary commissioner. If there is no deputy commissioner, the appointing authority of the commissioner shall designate an acting commissioner. Upon the appointment of a commissioner and the designation of the appointee as acting commissioner, the appointee shall immediately take the place of any other acting or temporary commissioner. Notice of the designation of an acting commissioner or assumption of office by a temporary commissioner shall be filed with the president of the senate with a copy delivered to the secretary of state.*

**Subd. 5. [GENERAL POWERS OF COMMISSIONERS.]** *Except as otherwise expressly provided by law, the a commissioner or head of any state department or agency shall have the following powers:*

(1) To designate a division director or other subordinate as his deputy, to serve as such at his pleasure, with full authority to act for him, but subject to his control; and in case of a vacancy in the office of such commissioner or head, such deputy shall discharge the necessary duties of the office until the vacancy be filled;

(2) (1) To delegate to any of his subordinate officers or employees the exercise of such of his *specified statutory* powers or duties as he may deem advisable, subject to his control; provided, that every such delegation shall be made by written order, filed with the secretary of state; and further provided that only a deputy commissioner may have all the powers or duties of the commissioner;

(3) (2) To appoint all subordinate officers and employees in his department or agency and to prescribe their duties and fix their compensation; provided, that all departments and agencies hereunder shall be subject to the provisions of any civil service law now or hereafter enacted, so far as applicable chapter 43;

(4) (3) With the approval of the commissioner of administration, to establish within *organize* his department or agency such bureaus or subdivisions as he may deem advisable in the interest of economy and efficiency; and

(5) (4) To prescribe rules and regulations, not inconsistent with law, *procedures* for the *conduct internal management* of his department or agency and other matters within the scope of the functions thereof, including the custody and preservation of books, records, papers, documents, and other property, and the certification of copies of papers and documents; provided, that every rule or regulation affecting any person or agency, other than a member of the department or agency concerned, shall be filed with the secretary of state to the extent that the procedures do not directly affect the rights of or procedure available to the public.

Subd. 6. [DEPUTY COMMISSIONER.] For purposes of this section, a "deputy commissioner" shall also include a "deputy director" when the department head bears the title "director". A deputy commissioner of a department or agency specified in subdivision 1 shall be in the unclassified civil service and shall be immediately subordinate to the commissioner. He shall have all the powers and authority of the commissioner unless the commissioner directs otherwise, and he shall speak for the commissioner within and without the department or agency. The primary duty of a deputy shall be to assist the commissioner in the general management of the entire department or agency or of major parts thereof, and shall not consist of operating single functional areas. A deputy commissioner serves at the pleasure of the commissioner.

Subd. 7. [NUMBER OF DEPUTY COMMISSIONERS.] Unless specifically prescribed by statute, no department or agency specified in subdivision 1 shall have more than one deputy commissioner. Notwithstanding any other law to the contrary, none of the departments or agencies shall have more than two deputy commissioners.

Sec. 2. Minnesota Statutes 1974, Section 16.01, is amended to read:

16.01. [COMMISSIONER OF ADMINISTRATION.] The department of administration shall be under the supervision and control of a commissioner of administration, in sections 16.01 to 16.23 chapter 16 also referred to as the commissioner ; who shall be ex-officio the state budget director and state purchasing agent .

The commissioner of administration, who shall be in unclassified service, shall be appointed by the governor ; by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval under the provisions of section 1 .

Sec. 3. Minnesota Statutes 1974, Section 16A.01, Subdivision 2, is amended to read:

Subd. 2. The commissioner of finance is appointed by the governor by and with the advice and consent of the senate under the provisions of section 1 . The commissioner so appointed shall have broad experience as an executive financial manager. The commissioner shall serve at the pleasure of the governor. A vacancy in the office of the commissioner shall be filled by the governor, with the advice and consent of the senate.

Sec. 4. Minnesota Statutes 1974, Section 16A.01, Subdivision 3, is amended to read:

Subd. 3. The commissioner may appoint two deputy commissioners, and a confidential secretary, each of whom shall serve at the pleasure of the commissioner in the unclassified service. Except as may be otherwise provided for by law, the commissioner shall fix the compensation of each deputy. A deputy may perform and exercise a power, duty, or responsibility imposed by law on the commissioner when authorized so to do by the commissioner.

Sec. 5. Minnesota Statutes 1974, Section 17.01, is amended to read:

17.01 [CREATION OF DEPARTMENT; COMMISSIONER; DEPUTY.] There is hereby created a department of agriculture, which shall be in the charge of a commissioner ; who shall be in unclassified service, to be known as the commissioner of agriculture, in chapter 17 called the commissioner ; who . He shall be appointed by the governor ; by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. On January 4, 1971, the term of the incumbent commissioner of agriculture shall expire. In case of a vacancy, the governor may appoint a commissioner who shall

immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval under the provisions of section 1 . Before entering upon the duties of his office, he shall take and subscribe the oath required of state officials and give his bond to the state of Minnesota, to be approved by, and filed with, the secretary of state, for the sum of \$5,000, conditioned for the faithful performance of his duties . He may appoint a deputy who shall be in the unclassified service, commissioner and such other assistants, clerks, and employees as occasion may require .

Sec. 6. Minnesota Statutes 1974, Section 43.001, Subdivision 2, is amended to read:

Subd. 2. The commissioner of personnel is appointed by the governor by and with the advice and consent of the senate for a term which coincides with the term of the governor and until his successor is duly appointed and qualifies under the provisions of section 1 . He shall have broad experience in a managerial position including about five years as an executive personnel manager in one or more organizations essentially similar in complexity to state government. The governor may remove the commissioner only for cause, and after a public hearing. A vacancy in the office of the commissioner shall be filled by the appointing authority for the unexpired term.

Sec. 7. Minnesota Statutes 1974, Section 43.001, Subdivision 3, is amended to read:

Subd. 3. The commissioner may appoint two deputy commissioners and a confidential secretary, each of whom shall serve at the pleasure of the commissioner in the unclassified service. Except as may be otherwise provided for by law, the commissioner shall fix the compensation of each deputy commissioner. A deputy commissioner may perform and exercise a power, duty, or responsibility imposed by law on the commissioner when authorized so to do by the commissioner.

Sec. 8. Minnesota Statutes 1974, Section 45.02, is amended to read:

45.02 [COMMISSIONERS; APPOINTMENT, TERMS, VACANCIES.] The governor, by and with the advice and consent of the senate, shall appoint the members of the commission under the provisions of section 1 . The term of each member shall be six years. In case of a vacancy it shall be filled for the unexpired portion of the term. Each member of the commission, before entering upon the discharge of his duties, shall take, subscribe, and file with the secretary of state, the oath of office prescribed by the constitution, and shall give bond to the state, the commissioner of banks in the amount of \$50,000, the commissioner of insurance in the amount of \$25,000, and the commissioner of securities in the amount of \$10,000, conditioned for the faithful discharge of his duties during his continuance in office and for the payment without delay to the officer or person entitled by law thereto of all moneys which shall come into his hands by virtue thereof .

A majority of the commission shall constitute a quorum.

Each commissioner shall receive a salary in an amount set by the legislature payable semi-monthly, and each shall devote his entire time to the duties of his office.

Sec. 9. Minnesota Statutes 1974, Section 45.15, is amended to read:

45.15 [ESTABLISHMENT OF CONSUMER SERVICES SECTION.] A section of consumer services is established in the department of commerce under the supervision and control of a director of consumer services. The director of consumer services is appointed by the governor ; by and with the advice and consent of the senate, for a four year term which shall coincide with the term of the governor and until a successor is duly appointed and qualifies. A vacancy in the office of director shall be filled for the unexpired term under the provisions of section 1 .

Sec. 10. Minnesota Statutes 1974, Section 84.01, Subdivision 2, is amended to read:

Subd. 2. The commissioner of natural resources is appointed by the governor ; by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and qualifies. A vacancy in the office of the commissioner shall be filled for the unexpired portion of the term under the provisions of section 1 . The commissioner may appoint a deputy who shall serve at the pleasure of the commissioner in the unclassified service. The salary of such deputy is fixed by the commissioner except when otherwise expressly provided for by law. The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when authorized so to do by the commissioner commissioner .

Sec. 11. Minnesota Statutes 1974, Section 116.03, Subdivision 1, is amended to read:

116.03 [DIRECTOR.] Subdivision 1. (a) The office of director of the pollution control agency is created and is under the supervision and control of the director, who is appointed by the governor by and with the consent of the senate for a four year term, which shall coincide with the term of the governor, and until his successor is duly appointed and qualifies. The governor may remove the director at any time at his pleasure. A vacancy in the office of director shall be filled by the governor by and with the consent of the senate, for the unexpired portion of the term under the provisions of section 1 .

(b) in order to expedite the establishing and functioning of the pollution control agency, the governor shall forthwith appoint an acting director, who shall have all the powers and duties of the director as provided in sections 116.01 to 116.09. The acting director may be a person in the service of the state at the time of his appointment, and who while serving as acting director is on leave of absence from his regular office or position in the state service. The acting director shall serve as such until the director is

appointed and qualifies as such director. Pending the abolishment of the water pollution control commission as specified in section 116.02, subdivision 5, the director or acting director, as the case may be, is the secretary of such commission in lieu of the secretary and executive officer of the state board of health.

(e) (b) The director may appoint a deputy director and an assistant director who shall be in the unclassified service. The director may designate the deputy director to the agency to act in his stead as a member, with all his rights and privileges therein, of any agency, board, committee, or commission that the director is made a member of by law. The designation shall be filed with secretary of state. The salary of the deputy director and of the assistant director shall be provided by law.

Sec. 12. Minnesota Statutes 1974, Section 116H.03, Subdivision 2, is amended to read:

Subd. 2. The agency shall be under the supervision of the director who shall organize the agency and employ such other officers, agents and employees as are necessary to carry out the functions of the agency. Duties of such officers, agents and employees shall be as specified by the director .

Sec. 13. Minnesota Statutes 1974, Section 116H.03, Subdivision 3, is amended to read:

Subd. 3. The director shall be appointed by the governor with the advice and consent of the senate, to a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and qualified under the provisions of section 1. In appointing the director the governor should give due consideration to the listing of names submitted by the commission pursuant to section 116H.04. The director shall serve at the pleasure of the governor.

A vacancy in the office of director shall be filled by the governor and the new appointee shall immediately take office and carry out all duties until the next session of the legislature when his appointment shall be submitted to the senate for confirmation.

The director may appoint a deputy who shall serve at his pleasure. The salaries of the director and the deputy shall be fixed by the governor until otherwise expressly provided for by law. The deputy may be authorized by the director to perform every duty, power and responsibility imposed on the director unless expressly forbidden by law. The director and his deputy shall serve in the unclassified service and shall be members of the Minnesota state retirement system.

Sec. 14. Minnesota Statutes 1974, Section 161.03, Subdivision 1, is amended to read:

161.03 [COMMISSIONER OF HIGHWAYS.] Subdivision 1. [OFFICE CREATED.] The office of commissioner of highways is created. He shall be appointed by the governor ; by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is

duly appointed and qualifies. The governor may remove any commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. The commissioner shall be in unclassified service. On January 4, 1971, the term of the incumbent commissioner of highways shall expire under the provisions of section 1.

Sec. 15. Minnesota Statutes 1974, Section 161.03, Subdivision 4, is amended to read:

Subd. 4. [DEPUTY COMMISSIONER.] The commissioner may appoint a deputy who shall serve in the classified service of the state commissioner. The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when so authorized by the commissioner.

Sec. 16. Minnesota Statutes 1974, Section 175.001, Subdivision 1, is amended to read:

175.001 [DEPARTMENT OF LABOR AND INDUSTRY.] Subdivision 1. [CREATION AND ORGANIZATION.] The department of labor and industry is created under the supervision and control of the commissioner of labor and industry which office is hereby established. The commissioner of labor and industry, who shall be in unclassified service, shall be appointed by the governor by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire under the provisions of section 1.

Sec. 17. Minnesota Statutes 1974, Section 179.02, is amended to read:

179.02 [BUREAU OF MEDIATION SERVICES.] Subdivision 1. There is hereby established in the department of labor and industry a bureau of mediation services; but not in any way subject to the control of the department. This bureau shall be under the supervision and control of a director. The office of director shall, as of the effective date of this act, be filled by the person then holding the office of labor conciliator and his term shall expire as of the date his term as labor conciliator would have expired. Thereafter The director shall be appointed by the governor with the advice and consent of the senate. He shall hold office for a term of four years under the provisions of section 1.

Subd. 2. The governor may, from time to time, appoint special mediators to aid in the settlement of particular labor disputes or controversies who shall have the same power and authority as the

director with respect to such dispute and such appointment shall be for the duration only of the particular dispute. Such special mediators shall be paid a per diem of \$75 per day while so engaged and their necessary expenses. The director shall prepare a roster of persons qualified to act as such special mediators and keep the same revised at all times and available to the governor and the public.

The director may employ and discharge mediators, clerks and other employees as needed; fix their compensation, and assign them their duties. As of the effective date of this act the division of conciliation, heretofore established, shall be abolished, and all of its powers and duties transferred to the bureau of mediation services. Any matters pending in or by the division of conciliation as of such date shall then and thereafter be carried on in the name of the bureau of mediation services.

Sec. 18. Minnesota Statutes 1974, Section 196.02, Subdivision 1, is amended to read:

196.02 [COMMISSIONER OF VETERANS AFFAIRS.] Subdivision 1. [APPOINTMENT; QUALIFICATIONS.] The department shall be under the supervision and control of a commissioner of Veterans' Affairs who shall be appointed by the governor by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. The commissioner shall be in unclassified service under the provisions of section 1. No person shall be eligible to receive appointment as commissioner unless he has the following qualifications:

(1) Residence in the state of Minnesota for at least five years prior to his appointment;

(2) Citizenship in the United States;

(3) Veteran of the armed forces of the United States as defined in section 197.447. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire.

Sec. 19. Minnesota Statutes 1974, Section 216A.06, Subdivision 1, is amended to read:

216A.06 [DIRECTOR.] Subdivision 1. [ESTABLISHMENT OF OFFICE, APPOINTMENT; TERM.] The office of director of the administrative division of the department of public service is hereby established. He shall be appointed by the governor with the advice and consent of the senate, for a four year term and the initial term to expire on the first Monday in January, 1971 under the provisions of section 1.

Sec. 20. Minnesota Statutes 1974, Section 241.01, Subdivision 1, is amended to read:

241.01 [CREATION OF DEPARTMENT.] Subdivision 1. [COMMISSIONER.] The department of corrections is hereby created under the control and supervision of the commissioner of corrections which office is hereby established. The commissioner of corrections ; who shall be in unclassified service, shall be selected without regard to political affiliation and shall have wide and successful administrative experience in correctional programs embodying rehabilitative concepts. The commissioner shall be appointed by the governor ; by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire under the provisions of section 1 .

Sec. 21. Minnesota Statutes 1974, Section 241.01, Subdivision 2, is amended to read:

Subd. 2. [DIVISIONS; DEPUTIES.] The commissioner of corrections may appoint and employ no more than four *two* deputy commissioners who shall serve at the pleasure of the commissioner in the unclassified service of the state civil service . Each deputy may perform and exercise every duty, power and responsibility imposed by law upon the commissioner when authorized to so do by the commissioner. Appointments to exercise delegated power shall be by written order filed with the secretary of state. Each deputy may perform and exercise every duty, power, and responsibility imposed by law upon the commissioner when authorized so to do by the commissioner. The commissioner may also appoint a personal secretary, who shall serve at his pleasure in the unclassified *civil* service of the state, and fix the salary of said secretary commensurate with salaries for similar services in the classified service.

Sec. 22. Minnesota Statutes 1974, Section 245.03, is amended to read:

245.03 [DEPARTMENT OF PUBLIC WELFARE ESTABLISHED; COMMISSIONER.] There is hereby created and established a department of public welfare. A commissioner of public welfare shall be appointed by the governor with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appoint-

ment shall be submitted to the senate for approval *under the provisions of section 1* . The commissioner , who shall be in unclassified service, shall be selected on the basis of ability and experience in welfare and without regard to political affiliations. Subject to the provisions of sections 245.03 to 245.12 and other applicable laws, now or hereinafter enacted, The commissioner shall have the power to organize his department in such manner as he may deem necessary, and to appoint a deputy commissioner in unclassified service . He shall also appoint such other subordinate officers, employees and agents as he may deem necessary to discharge the functions of the department , and define the duties of such officers, employees and agents and to delegate to them any of his powers or duties subject to his control and under such conditions as he may prescribe. Appointments to exercise delegated powers shall be written orders filed with the secretary of state. The commissioner shall give bond in the sum of \$10,000. On January 4, 1971, the term of the incumbent commissioner shall expire.

Sec. 23. Minnesota Statutes 1974, Section 268.12, Subdivision 1, is amended to read:

268.12 [CREATION.] Subdivision 1. [DEPARTMENT OF EMPLOYMENT SERVICES; COMMISSIONER.] (1) There is hereby created and established a department of employment security which shall be the successor to the division of employment and security, which said division is hereby abolished as a division of the department of social security as established by Laws 1930, Article VII, Section 1, *services under the control of* (2) a commissioner of employment security who shall be appointed by the governor with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified, to administer this chapter as the same may hereafter from time to time be amended. The commissioner, who shall be in unclassified service, may be removed by the governor at any time for cause after notice and hearing *under the provisions of section 1* . The commissioner shall be selected on the basis of ability and experience and without regard to political affiliations. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire. Subject to the provisions of sections 268.03 to 268.24 and other applicable laws now or hereafter enacted, the commissioner shall have the power to organize his department in such manner as he may deem necessary. Appointments to exercise delegated powers shall be written orders filed with the secretary of state. The salary of the commissioner shall be prescribed by the legislature and he shall give bond in the sum of \$10,000.

(3) All proceedings, court actions, prosecutions or other business undertaken or commenced prior to April 21, 1953, by the division of employment and security and any other matters of the division of employment and security pending at the time of the

passage of this act may be conducted and completed by the new department of employment security in the same manner and under the same terms and conditions and with the same effect as though it were undertaken, commenced or conducted or completed by said division of employment and security prior to such change. All functions, powers and duties of such division of employment and security are by this act assigned and transferred to the department of employment security.

(4) All the powers and duties now vested in or imposed upon the director of the division of employment and security as a division of the department of social security are hereby vested in and imposed upon the commissioner of employment security.

All of the employees of said division of employment and security are hereby transferred to the department of employment security created by this section, and said commissioner shall take charge of said employees and shall employ them in the exercise of the respective functions, powers and duties transferred as aforesaid without reduction of compensation or civil service status enjoyed by said employees at the time of such transfer, subject, however, to change or termination of employment, compensation or civil service status as may be otherwise provided by law.

(5) All other acts or parts of acts now in effect inconsistent with the provisions of this section are hereby repealed, superseded, modified or amended so far as necessary to conform to and give full force and effect to the provisions of this section.

(6) Laws 1953, Chapter 603, shall take effect and be in force from and after its passage; provided, that no transfer of functions, rights, powers, duties, or funds made thereby shall take effect until the commissioner of the department to whom the same are transferred shall have been appointed; taken his oath of office and filed oath and bond in the office of the secretary of state; and until then the former division or agency vested therewith shall continue to exercise and perform such functions, rights, powers, and duties, and to have charge of such funds.

Sec. 24. Minnesota Statutes 1974, Section 270.02, Subdivision 2, is amended to read:

Subd. 2. [TERM.] The commissioner of revenue shall be appointed by the governor by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor until his successor is duly appointed and qualified under the provisions of section 1. The commissioner, who shall be in unclassified service, shall be selected on the basis of ability and experience in the field of taxation and tax administration and without regard to political affiliations. The governor may remove the commissioner at any time for cause, after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall take office immediately and shall carry on the duties of the office until the next session of the legislature, when his appointment is submitted to the senate for approval. The commissioner shall give bond to the state in the sum of \$200,000. The person occupying the position of commissioner of taxation on July 1,

1973, shall be designated as commissioner of revenue, and his term of office shall coincide with the term of the office of governor.

Sec. 25. Minnesota Statutes 1974, Section 298.22, Subdivision 1, is amended to read:

298.22 [IRON RANGE RESOURCES AND REHABILITATION.] Subdivision 1. ~~On and after July 1, 1969,~~ (1) There is hereby appropriated from the general fund for the purposes hereinafter set forth, five percent of all amounts paid and credited to said fund from the proceeds of taxes paid under the provisions of sections 298.01 to 298.21.

(2) The office of commissioner of iron range resources and rehabilitation is hereby created. The commissioner shall be appointed by the governor ; ~~with the advice and consent of the senate for a four year term which shall coincide with the term of the governor until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall take office immediately and shall carry on the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval under the provisions of section 1 .~~

(3) The salary of the commissioner ; ~~who shall be in unclassified service,~~ shall be paid from the amounts appropriated by this section; provided, that such salary shall be reduced by such amount as he may receive from other funds, and the commissioner may hold such other positions or appointments as are not incompatible with his duties as commissioner of iron range resources and rehabilitation. The commissioner may appoint a deputy commissioner who shall serve in the unclassified service at the pleasure of the commissioner . All expenses of the commissioner, including the payment of such assistance as may be necessary, shall be paid out of the amounts appropriated by this section.

(4) When the commissioner shall determine that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use thereof in the future and the decrease in employment resulting therefrom, now or hereafter, he may use such amounts of the appropriation made to him in this section as he may determine to be necessary and proper in the development of the remaining resources of said county and in the vocational training and rehabilitation of its residents. For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.

Sec. 26. Minnesota Statutes 1974, Section 299A.01, Subdivision 1, is amended to read:

299A.01 [DEPARTMENT OF PUBLIC SAFETY; CREATION AND ORGANIZATION.] Subdivision 1. ~~In order that the functions and services of the state of Minnesota relating to the safety and convenience of its citizens might be coordinated and~~

directed in an accessible, identifiable manner, and to promote and insure the existing public safety operations of that government; The department of public safety is created under the supervision and control of the commissioner of public safety, which office is established. The commissioner of public safety is appointed by the governor, by and with the advice and consent of the senate for four year term. The governor may remove the commissioner only for cause, after a public hearing. A vacancy in the office of the commissioner shall be filled for the unexpired portion of the term under the provisions section 1. The commissioner may appoint a deputy commissioner who shall serve at the pleasure of the commissioner in the unclassified service. The salary of such deputy is fixed by the commissioner except when otherwise expressly provided for by law. The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when authorized so to do by the commissioner.

Sec. 27. Minnesota Statutes 1974, Section 299A.01, Subdivision 2, is amended to read:

Subd. 2. The duties of the deputy commissioner shall include, in addition to such other functions and responsibilities as may be delegated or assigned by the commissioner or imposed by law, the following: (a) The coordination, development and maintenance of services contracts with existing state departments and agencies assuring the efficient and economic use of advanced business machinery including computers;

(b) The execution of contracts and agreements with existing state departments for the maintenance and servicing of vehicles and communications equipment, and the use of related buildings and grounds;

(c) The development of integrated fiscal services for all divisions, and the preparation of an integrated budget for the department;

(d) The establishment of a planning bureau within the department, which bureau shall consult and coordinate its activities with the state planning director.

Sec. 28. Minnesota Statutes 1974, Section 360.014, Subdivision 2, is amended to read:

Subd. 2. There is hereby created the office of commissioner of aeronautics, the incumbent of which shall have the powers and duties and privileges herein set forth. The governor, by and with the advice and consent of the senate, shall appoint a suitable person, to serve in unclassified service, a commissioner having a knowledge of aeronautics to said office, to serve for a four year term which shall coincide with the term of the governor until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On

January 4, 1971, the term of the incumbent commissioner of aeronautics shall expire *under the provisions of section 1* .

Sec. 29. Minnesota Statutes 1974, Section 362.09, Subdivision 1, is amended to read:

362.09 [COMMISSIONER; ADVISORY COMMISSION.] Subdivision 1. The department shall be under the supervision and control of a commissioner of economic development, in unclassified service, who shall be appointed by the governor ; by and with the advice and consent of the senate for a term of four years to coincide with that of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing *under the provisions of section 1* . He shall be chosen with regard to his knowledge, training, experience, and ability in administering the functions of the department. In case of a vacancy, the governor may appoint a commissioner who shall thereupon immediately take office and shall carry on all the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. The commissioner shall receive a salary as provided by law. He shall give a bond to the state in the sum of \$10,000. On January 4, 1971, the term of the incumbent commissioner shall expire.

The commissioner shall appoint a deputy ; fix his salary unless otherwise prescribed by law and define his duties. The deputy shall enjoy a confidential relationship with the commissioner and is in the unclassified service of the state *commissioner* .

Sec. 30. Minnesota Statutes 1974, Section 363.04, Subdivision 1, is amended to read:

363.04 [DEPARTMENT OF HUMAN RIGHTS.] Subdivision 1. [CREATION; COMMISSIONER.] There is hereby established at the seat of government an executive a department to be known as the department of human rights . There shall be at the head of the department *under the direction and supervision of a commissioner of human rights*; who shall be appointed by the governor ; by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire. The department shall be administered under the supervision and direction of the commissioner, who shall be in unclassified service, and shall receive compensation at the rate prescribed by law *under the provisions of section 1* .

Sec. 31. Minnesota Statutes, 1975 Supplement, Section 144.02, is amended to read:

144.02 [MEETINGS; OFFICERS; QUORUM.] The state

board of health shall hold an annual meeting during the first quarter of every year at a time and place designated by the board at which time it shall *annually* elect from its members a president. Regular meetings, one of which shall include the annual meeting, shall be held not less than four times a year. At least one such regular meeting shall be held each quarter. The time and place of all such *regular* meetings shall be determined by the board, and all board members shall be notified thereof by mail seven days in advance. Special meetings may be held at such times and places as *on the request of the secretary commissioner* or any two members of the board shall *appoint* upon three days' notice to the members by mail. The board shall elect a secretary, with the advice and consent of the senate, to serve during its pleasure, who may or may not be one of its members. A majority shall be a quorum and any meeting may be adjourned from time to time.

Sec. 32. Minnesota Statutes 1974, Chapter 144, is amended by adding a section to read:

[144.031] [COMMISSIONER.] *Subdivision 1. [APPOINTMENT.] The department of health shall be under the administrative control of the commissioner of health which office is established. He shall be appointed by the governor under the provisions of section 1. The commissioner so appointed shall have experience in public health administration. The board of health, and any professional health organization through the board of health, may recommend to the governor names of possible appointees.*

*Subd. 2. [DUTIES.] The commissioner shall be the chief administrative officer of the department and shall be responsible for the enforcement of all appropriate laws, the rules of the board, and for the management of the department. He shall appoint employees as he deems necessary to perform the functions mandated by law or rule of the board. He shall serve ex-officio without vote as secretary of the board.*

Sec. 33. Minnesota Statutes 1974, Section 144.04, is amended to read:

144.04 [EXPENSES.] The members of the board shall receive compensation of the sum of \$35 per day for attendance at board meetings and ordinary and necessary expenses in the same amount and manner as state employees. Subject to the provisions of Laws 1939, Chapter 441, the board may employ, and at pleasure dismiss, such agents, experts, and other assistants as it may deem necessary and fix their compensation, prescribe their duties, and allow their necessary expenses. All such salaries, compensation, and expenses shall be paid by the state upon vouchers; but the total for any year shall not exceed the appropriation of the year therefor.

Sec. 34. Minnesota Statutes 1974, Section 121.09, is amended to read:

121.09 [ADMINISTRATION; EXCEPTIONS.] The state board commissioner shall administer all laws and rules promulgated by the board relating to the commissioner, libraries, and other

public educational institutions, except such laws as may relate to the state university and to the state colleges.

Sec. 35. Minnesota Statutes 1974, Section 121.16, is amended to read:

121.16 [COMMISSIONER OF EDUCATION.] Subdivision 1. *The state board shall elect a The department shall be under the administrative control of the commissioner who of education which office is established. The commissioner shall be the executive officer and secretary of the state board and whose term of office shall be four years. He shall be appointed by the board with the approval of the governor under the provisions of section 1. For purposes of section 1, the board of education shall be the appointing authority.*

*He The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code chapter. The commissioner shall have authority to nominate, for approval by the state board, such officials and appoint employees as may be necessary to perfect and to maintain for the organization of the department as recommended by him and as adopted by the state board. He shall perform such duties as the law and the rules of the state board may provide and be held responsible for the efficient administration and discipline of the various offices and division in the organization of the department. He shall be required to make recommendations to the state board which shall facilitate all of the work of the state board, and he shall be charged with the execution of powers and duties which the state board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the state board to carry out the provisions of this code its duties.*

Subd. 2. *This section shall apply to the appointment of the commissioner of education on the expiration of the term of the commissioner occupying the office on the effective date of this article.*

Sec. 36. Minnesota Statutes 1974, Section 462A.04, Subdivision 8, is amended to read:

Subd. 8. *The agency shall employ an executive director, legal and technical experts and such other officers, agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation be under the administrative control of an executive director which office is established. He shall be appointed by the governor under the provisions of section 1.*

*The executive director may appoint a deputy director. The executive director may further appoint such permanent and temporary employees as he deems necessary subject to the approval of the commissioner of personnel. The agency may delegate to one or more of its agents or employees such powers or duties as it might deem proper. All permanent employees of the agency, except the*

executive director, and deputy director are in the classified civil service of the state .

Sec. 37. [TEMPORARY PROVISIONS.] *The term of any department head or commissioner dealt with in this act shall expire the first Monday in January 1979, unless Minnesota Statutes provide for an earlier expiration date. In this event, the new appointment shall be made so as to expire the first Monday of January 1979.*

*Any department head or commissioner dealt with in this act and serving on the effective date of this act is deemed to have been appointed in compliance with the provisions of this act.*

*If any position which currently bears the title of deputy loses this title pursuant to section 1, subdivision 6, or any other provision of this act, the commissioner of personnel shall assign a new title under the provisions of Minnesota Statutes, Section 15A.071. If the position is currently in the unclassified civil service, it shall remain in the unclassified civil service. In the event that authorized, unclassified deputy positions are not filled, the department head or commissioner may fill these positions but only as permitted by applicable personnel complement limitations.*

Sec. 38. [INSTRUCTION TO REVISOR.] *The revisor of statutes shall eliminate from the statutes any reference to the "secretary" or "executive officer" of the board of health or any similar title with this meaning, and shall substitute "commissioner" or "commissioner of health" as appropriate.*

Sec. 39. [REPEALER.] *Minnesota Statutes 1974, Sections 121.07, 121.08, 121.10, 175.003, Subdivision 4, 216A.06, Subdivision 2, and 144.03, are repealed.*

Sec. 40. [EFFECTIVE DATE.] *This act shall be effective the day following its final enactment."*

Further amend the title by striking it in its entirety and insert in lieu thereof:

"A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall be appointed by and shall serve at the pleasure of the governor; providing for the succession of commissioners; defining position and duties of deputy department heads; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 15.06; 16.01; 16A.01, Subdivisions 2 and 3; 17.01; 43.001, Subdivisions 2 and 3; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 116H.03, Subdivisions 2 and 3; 121.09; 121.16; 144.04; 161.03, Subdivisions 1 and 4; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06, Subdivision 1; 241.01, Subdivisions 1 and 2; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivisions 1 and 2; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1; 462A.04, Subdivision 8; Chapter 144, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 144.02; repealing Minnesota Statutes 1974, Sections

121.07; 121.08; 121.10; 175.003, Subdivision 4; 216A.06, Subdivision 2; and 144.03”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 1721: A bill for an act relating to education; vocational-technical institutes; providing for student associations.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 357: A bill for an act relating to the university of Minnesota board of regents; providing for student or recent graduate members; amending Minnesota Statutes 1974, Chapter 137, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 717: A bill for an act relating to optometric education; higher education coordinating commission; providing for a study of the availability of educational opportunities in optometry for Minnesota students.

Reports the same back with the recommendation that the bill be amended as follows:

Strike the Rule 49 amendment adopted by the Senate on May 10, 1975

Amend H. F. No. 717 as follows:

Page 1, line 8, strike “COMMISSION” and insert “BOARD”

Page 1, line 8, strike “commission” and insert “board”

Page 1, line 10, after “optometry” insert “and doctors of osteopathy.”

Page 1, line 10, strike “commission” and insert “board”

Page 1, line 12, after “optometrists” insert “and osteopaths”

Page 1, line 12, strike “commission” and insert “board”

Page 1, line 18, strike “commission” and insert “board”

Page 1, line 20, after “optometry” insert “or colleges of osteopathy”

Page 1, line 21, strike “commission” and insert “board”

Page 1, line 23, strike "1977" and insert "1978"

Further, amend the title as follows:

Page 1, line 2, after "optometric" insert "and osteopathic"

Page 1, line 3, strike "commission" and insert "board"

Page 1, line 5, after "optometry" insert "and osteopathy"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred

H. F. No. 525: A bill for an act relating to state government; creating a department of transportation; prescribing its duties and responsibilities; transferring the functions of some state departments; appropriating money; amending Minnesota Statutes 1974, Sections 43.09, Subdivision 2a; and 360.017, Subdivision 1; repealing Minnesota Statutes 1974, Sections 4.20; 161.03; and 360.014.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the report of the Committee on Governmental Operations, adopted by the Senate February 2, 1976, as follows:

Page 3, line 31, after "plan" insert "*. The plan shall not be in conflict with a land use plan promulgated by a regional development commission prior to July 1, 1976, or with that portion of the metropolitan council comprehensive development guide relating to land use adopted by the council prior to July 1, 1976*"

Page 4, line 12, strike the comma and insert "and"

Page 4, line 12, strike "*and schedule of*"

Page 4, line 13, strike "*expenditures*"

Page 4, line 15, after "plan" strike the comma and insert "and"

Page 4, line 15, strike "*, and schedule*"

Page 4, line 16, after the period insert: "*Upon promulgation of the plan and priorities, the commissioner shall prepare and periodically revise, as necessary, the schedule of authorized public transportation expenditures. The schedule, and revisions thereto, need not be promulgated as a rule but shall not be prepared or revised without public hearings.*"

Page 14, line 16, strike "him" and insert "*the commission or the commissioner of transportation*"

Page 14, line 18, after "*classifications,*" insert "*the commission or*"

Page 14, line 18, strike "*decides*" and insert "*decide*"

Page 14, line 19, strike "*he does*" and insert "*they do*"

Page 14, line 21, strike "he" and insert "*the commission or the commissioner of transportation, as appropriate,*"

Page 14, line 24, strike "*of the commissioner*"

Page 83, line 23, strike "*commissioner*" and insert "*commission*"

Page 83, line 25, strike "*commissioner*" and insert "*commission*"

Page 83, line 28, strike "*commissioner*" and insert "*commission*"

Page 84, line 32, strike "*commissioner*" and insert "*commission*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was re-referred

S. F. No. 814: A bill for an act relating to the organization and operation of state government; education; establishing a higher education governance board; transferring powers, duties and obligations of the university of Minnesota board of regents, the Minnesota higher education coordinating commission, the state college board, and the community college board to the higher education governance board.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes 1974, Section 136A.02, Subdivision 1, is amended to read:

136A.02 [MEMBERSHIP; OFFICERS; COMPENSATION; ADVISORY COMMITTEES.] Subdivision 1. The higher education coordinating ~~commission board~~ shall consist of eight citizen ~~12 public~~ members; ~~one from each congressional district~~, to be appointed by the governor with the advice and consent of the senate, and ~~three citizen members also to be appointed by the governor by and with the advice and consent of the senate to represent the state at large. and three members, one to be appointed by the board of regents of the University of Minnesota, one by the state university board, and one by the state board for community colleges. The executive director of the Minnesota Private College Council shall also serve as an ex-officio, nonvoting member of the board. Each congressional district shall be represented by a public member on the board.~~ All appointees to the board shall be selected for their knowledge of and interest in post secondary education and at least one *public member* shall be selected specifically for his knowledge of and interest in vocational education.

~~Citizen members of the commission on May 22, 1974 shall continue as members of the commission under the provisions of their appointments.~~

~~Except as provided in subdivision 2 All members shall be appointed for a four year term beginning on February 15 in the year~~

in which the term begins. The initial members shall be appointed in the following manner to terms ending on the following dates:

(a) the first Monday in January, 1977: four public members, one member appointed by the board of regents, and one member appointed by the state university board;

(b) the first Monday in January, 1978: four public members and one member appointed by the board for community colleges;

(c) the first Monday in January, 1979: four public members. The members representing the three boards shall be appointed to terms consistent with, to the extent possible, their terms on their respective boards. Vacancies in on the ~~commission~~ board shall be filled by appointments for the unexpired term. All members shall serve until their successors are appointed and have qualified.

Sec. 2. Minnesota Statutes 1974, Section 136A.02, Subdivision 2, is amended to read:

Subd. 2. The members of the first higher education coordinating ~~commission~~ who are appointed by the governor with the advice and consent of the senate shall be appointed as follows: four of the citizen members appointed by the governor with the advice and consent of the senate shall be appointed for a term ending February 15, 1967, and the remaining four for a term ending February 15, 1969. The first members of the ~~commission~~ appointed by the governor as citizen members to represent the state at large shall be appointed for terms ending February 15, 1975. A member may be removed by his appointing authority at any time (1) for cause, after notice and hearing, or (2) after missing three consecutive meetings. The president of the board shall inform the appointing authority of a member missing the three consecutive meetings. After the second consecutive missed meeting and before the next meeting, the secretary of the board shall notify the member in writing that he may be removed if he misses the next meeting.

Sec. 3. Minnesota Statutes 1974, Section 136A.02, Subdivision 4, is amended to read:

Subd. 4. Members of the higher education coordinating ~~commission board~~ shall ~~serve without compensation~~ be compensated at the rate of \$50 per day spent on board activities, when authorized by the board. They shall be reimbursed; however, in addition for travel, subsistence, and other reasonable expenses incurred in the performance of their duties in the same manner and in the same amounts as other state officers and employees are reimbursed. Members who are full time state employees or full time employees of the political subdivisions of the state shall not receive the \$50 per day, but they shall suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board. Members who are full time state employees or full time employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source.

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 136A.04, is amended to read:

136A.04 [DUTIES.] The higher education coordinating ~~commission~~ board shall:

(a) Continuously study and analyze all phases and aspects of higher education, both public and private, and develop necessary plans and programs to meet present and future needs of the people of the state in respect thereto;

(b) Continuously engage in long range planning of the needs of higher education and, if necessary, cooperatively engage in such planning with neighboring states and agencies of the federal government;

(c) Act as successor to any committee or commission heretofore authorized to engage in exercising any of the powers and duties prescribed by sections 136A.01 to 136A.07;

(d) Review, make recommendations and identify priorities with respect to all plans and proposals for new or additional programs of instruction or substantial changes in existing programs to be established in or offered by, the University of Minnesota, the state colleges *universities*, the community colleges, and public area vocational-technical institutes, and private collegiate and non-collegiate institutions offering post-secondary education, and periodically review existing programs offered in or by the above institutions and recommend discontinuing or modifying any existing program, the continuation of which is judged by the ~~commission~~ board as being unnecessary or a needless duplication of existing programs;

(e) Develop in cooperation with the post-secondary systems, committee on appropriations of the house of representatives, committee on finance of the senate, and the departments of administration and finance a compatible budgetary reporting format designed to provide data of a nature to facilitate systematic review of the budget submissions of the university of Minnesota, the state college *university* system, the state community college system and the public vocational technical schools; and which includes the relating of dollars to program output;

(f) *Review and comment on budget requests, including plans for construction and acquisition of facilities, of the public post-secondary vocational-technical schools for the purpose of relating present resources and higher educational programs to the state's present and long range needs;*

~~(f)~~ (g) *Review and approve, disapprove, or modify budget requests, including plans for construction or acquisition of facilities, of the university of Minnesota, the state colleges, universities and the state community colleges, and public vocational-technical schools for the purpose of relating present resources and higher educational programs to the state's present and long range needs; and conduct a continuous analysis of the financing of post-secondary institutions and systems, including the assessments as to the extent to which the expenditures and accomplishments are consistent with legislative intent;*

(h) *Make unified presentations to the legislature of the budget requests, as approved or modified by the board, of the University of Minnesota, the state universities, and the state community colleges;*

~~(g)~~ (i) Obtain from private post-secondary institutions receiving state funds a report on their use of those funds.

Sec. 5. Minnesota Statutes, 1975 Supplement, Section 136A.05, is amended to read:

136A.05 [COOPERATION OF INSTITUTIONS OF HIGHER EDUCATION.] All institutions of higher education, public and private, and all state departments and agencies are requested to *shall* cooperate with and supply written information requested by the higher education coordinating ~~commission~~ *board* in order to enable it to carry out and perform its duties.

Sec. 6. Minnesota Statutes 1974, Section 136A.07, is amended to read:

136A.07 [REPORTS.] *Subdivision 1.* The higher education coordinating ~~commission~~ *board* shall report to the governor concerning its activities from time to time and may report in connection therewith to the governing body of each institution of higher education in the state, both public and private. It shall file a formal report with the governor not later than October 15 of each even numbered year so that the information therein contained, including recommendations, *approvals, disapprovals, and modifications of budget requests*, may be embodied in the governor's budget message to the legislature. It shall also report to the legislature not later than November 15 of each even numbered year.

*Subd. 2.* *The higher education coordinating board shall study higher education and shall make specific recommendations concerning it to the legislature in at least the following areas:*

(a) *graduate and undergraduate credit transfer policies, including the collegiate transfer course standards employed by the post-secondary vocational-technical educational system;*

(b) *comparable funding for comparable programs and comparable teaching loads and salaries for faculty based on comparable experience and qualifications;*

(c) *methods to encourage the lateral movement of faculty and students between the various post-secondary educational institutions; and*

(d) *staffing patterns at the various institutional and system levels, both academic and administrative, which may lead to inefficiency or duplication of effort.*

*In the course of its study, the board shall solicit the views of the administrators, faculty, and students at affected institutions. The board shall report its preliminary findings quarterly to a joint meeting of the appropriate education committees of the senate and the house of representatives. The final report of the board shall be presented prior to January 15, 1978.*

Sec. 7. *The membership of the higher education coordinating board as constituted in section 1 of this act shall replace and supersede the membership of the board as constituted prior to the effective date of this act.*

Sec. 8. [EFFECTIVE DATES.] *Sections 1, 2, 3, 5, 7, 8 and 9 shall be effective the day following final enactment. Sections 4 and 6 shall be effective April 1, 1978.*

Sec. 9. *There is appropriated from the general fund in the state treasury to the higher education coordinating board the sum of \$90,000. This appropriation shall be added to that appropriated in Laws 1975, Chapter 433, Section 10, Subdivision 1."*

Further, amend the title as follows:

Page 1, line 3, strike "establishing a higher" and insert "changing the membership of the higher education coordinating board; establishing new duties for the board; providing per diem, appropriating money; amending Minnesota Statutes 1974, Sections 136A.02, Subdivisions 1, 2, and 4; 136A.07; and Minnesota Statutes, 1975 Supplement, Sections 136A.04 and 136A.05."

Page 1, strike lines 4 to 9

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred the following appointment as reported in the Journal for January 29, 1976:

#### **GILLETTE HOSPITAL AUTHORITY**

Herbert G. Lancaster

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Davies moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which were referred the following appointments as reported in the Journal for January 29, 1976:

#### **STATE BOARD OF HEALTH**

Michael Keable

Burton D. Magnuson

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Davies moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1704: A bill for an act relating to motor vehicles; defining terms; providing for the licensure and regulation of certain motor vehicle dealers; prescribing penalties; appropriating money; amending Minnesota Statutes 1974, Section 168.27.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, line 23, after "*with*" strike "*adequate space to display*"

Page 6, strike lines 24 and 25

Page 6, line 26, strike "*building; and*"

Page 7, line 9, strike "*with adequate space for the display of*"

Page 7, line 10, strike "*motor vehicles, either inside or outside the building;*"

Page 10, line 26, strike "*made*" and insert "*been convicted of making*"

Page 10, line 27, strike "*violated*" and insert "*been convicted of violating*"

Page 10, line 29, strike "*violated*" and insert "*been convicted of violating*"

Page 10, line 31, strike "*violated*" and insert "*been convicted of violating*"

Page 16, line 9, after "*hire*" insert "*(except to dealership employees)*"

Page 16, line 32, strike "*Upon the*"

Page 17, strike lines 1 through 13

Page 21, line 12, after "*of*" strike "*\$3,000 to run to the state of Minnesota*" and insert "*\$10,000*"

Page 21, line 17, after "*Minnesota*" insert "*and any purchaser of a motor vehicle for any monetary loss caused by failure of the licensee to meet the obligations enumerated above*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1848: A bill for an act relating to insurance; including surety bonds within the scope of the Minnesota insurance guaranty association act; amending Minnesota Statutes 1974, Sections 60C.02, Subdivisions 1 and 2; 60C.03, Subdivision 4; 60C.04; 60C.09, Subdivision 1; 60C.14, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1865: A bill for an act relating to insurance; providing a counter-signature commission; amending Minnesota Statutes 1974, Section 60A.17, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, after "risk." insert:

*"If the law of another state requires Minnesota resident agents to pay a portion of the premium to or share commissions with a licensed non-resident agent,"*

Page 1, line 17, after "agent" insert "of that state"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was re-referred

S. F. No. 830: A bill for an act relating to health care; requiring certain insurance policies and health care plans to provide benefits for health care services rendered in free standing ambulatory surgical centers.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22 strike "1975" and insert "1976"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 945: A bill for an act relating to employment services; unemployment compensation; excluding and exempting family farm corporation officers from certain provisions; amending Minnesota Statutes 1974, Section 268.04, Subdivision 12, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "1974" and insert ", 1975 Supplement"

Pages 1 to 14, strike all of subdivision 12 and insert:

"Subd. 12. "Employment" means: (1) Subject to the other provisions of this subdivision "employment" means service performed prior to January 1, 1945, which was employment as defined in this section prior to such date, and any service performed after December 31, 1944, including service in interstate commerce, by an individual who is a servant under the law of master and servant or who performs services for any employing unit, unless such services are performed by an independent contractor. Any service performed, including service in interstate commerce, by

(a) any officer of a any corporation other than a family farm corporation; or

(b) any individual other than an individual who is an employee under clause (a) who performs services for remuneration for any person as an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal, or as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a fulltime basis in the solicitation on behalf of, and the transmission to, his principal (except for sideline sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations;

Provided, that for purposes of clause (1) (b), the term "employment" shall include services described above performed after December 31, 1971, only if the contract of service contemplates that substantially all of the services are to be performed personally by such individual, the individual does not have a substantial investment in facilities used in connection with the performance of the services (other than in facilities for transportation), and the services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

(2) The term "employment" shall include an individual's entire service, performed within or both within and without this state if (a) the service is localized in this state; or (b) the service is not localized in any state but some of the service is performed in this state and (1) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this state; (2) the base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(3) Service shall be deemed to be localized within a state if (a) the service is performed entirely within such state; or (b) the service is performed both within and without such state, but the service performed without such state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions.

(4) After December 31, 1971, the term "employment" shall include an individual's service wherever performed within the United States, the Virgin Islands or Canada, if

(a) Such service is not covered under the unemployment compensation law of any other state, the Virgin Islands or Canada, and

(b) The place from which the service is directed or controlled is in this state.

(5) (a) Service covered by an election pursuant to section 268.11, subdivision 3; and

(b) Service covered by an arrangement pursuant to section

268.13 between the commissioner and the agency charged with the administration of any other state or federal employment security law, pursuant to which all service performed by an individual for an employing unit is deemed to be performed entirely within this state, shall be deemed to be employment if the commissioner has approved an election of the employing unit for which such service is performed, pursuant to which the entire service of such individual during the period covered by such election is deemed to be employment.

(6) Notwithstanding any inconsistent provisions of sections 268.03 to 268.24, the term "employment" shall include any services which are performed by an individual with respect to which an employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund or which as a condition for full tax credit against the tax imposed by the federal unemployment tax act is required to be covered under this law.

(7) Service performed after July 1, 1957, by an individual for the state of Minnesota or any instrumentality which is wholly owned by the state of Minnesota or in the employ of this state and one or more other states or their instrumentalities.

(8) Service performed after January 1, 1974, by an individual for any political subdivision of the state of Minnesota or instrumentality thereof.

(a) The provisions of section 268.08, subdivision 5, shall apply to service covered by this section.

(b) The amounts required to be paid in lieu of contributions by any political subdivision shall be billed and payment made as provided in section 268.06, subdivision 28, clause (2), with respect to similar payments by nonprofit organizations.

(9) Service performed after December 31, 1971, by an individual in the employ of a religious, charitable, educational or other organization but only if the following conditions are met:

(a) the service is excluded from "employment" as defined in the federal unemployment tax act solely by reason of section 3306(c) (8) of that act; and

(b) the organization had one or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

(10) For the purposes of clauses (7), (8), and (9), the term "employment" does not apply to service performed

(a) in the employ of a church or convention or association of churches, or an organization which is operated exclusively for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches; or

(b) by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; or

(c) in a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market by an individual receiving such rehabilitation or remunerative work; or

(d) as part of an unemployment work relief or work training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof, by an individual receiving such work relief or work training; or

(e) for a hospital in a state prison or other state correctional institution by an inmate of the prison or correctional institution.

(11) The term "employment" shall include the service of an individual who is a citizen of the United States, performed outside the United States (except in Canada or the Virgin Islands), after December 31, 1971, in the employ of an American employer (other than service which is deemed "employment" under the provisions of clauses (2), (3), or (4) or the parallel provisions of another state's law) if:

(a) The employer's principal place of business in the United States is located in this state; or

(b) The employer has no place of business in the United States, but the employer is an individual who is a resident of this state, or the employer is a corporation which is organized under the laws of this state, or the employer is a partnership or a trust and the number of partners or trustees who are residents of this state is greater than the number who are residents of any one other state; or

(c) None of the criteria of (a) and (b) of this clause is met but the employer has elected coverage in this state, or the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state.

(d) An "American employer," for the purposes of this subdivision, means a person who is an individual who is a resident of the United States, or a partnership if two thirds or more of the partners are residents of the United States, or a trust, if all of the trustees are residents of the United States, or a corporation organized under the laws of the United States or of any state;

(e) As used in this subdivision, the term "United States" includes the states, the District of Columbia, and the Commonwealth of Puerto Rico.

(12) Notwithstanding clause (1), all service performed after the effective date of this subdivision by an officer or member

of the crew of an American vessel on or in connection with such vessel, if the operating office, from which the operations of such vessel operating on navigable waters within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled is within this state.

(13) The term "employment" shall not include:

(a) Agricultural labor. The term "agricultural labor" includes all services performed subsequent to December 31, 1939:

(1) On a farm, in the employ of any person or *family farm corporation*, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, fur-bearing animals and wildlife.

(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a tornadic-like storm, if the major part of such service is performed on a farm;

(3) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section 15(g) of the agricultural marketing act, as amended (46 Stat. 1550, sec. 3; 12 U.S.C. 1141j) or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

(4) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such operator produced more than one half of the commodity with respect to which such service is performed, or in the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described herein, but only if such operators produced more than one half of the commodity with respect to which such service is performed; however, the provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; or

(5) On a farm operated for profit if such service is not in the course of the employer's trade or business or is domestic service in a private home of the employer.

As used herein, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches,

nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

Notwithstanding the provisions of clause (13) (a) (1), (2), (3), (4) and (5), services performed after January 1, 1974, for an employing unit which has four or more persons, *excluding the officers of the corporation if the employing unit is a family farm corporation*, performing services in agricultural labor for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time, shall not be excluded from the term "employment".

(b) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority;

(c) Casual labor not in the course of the employing unit's trade or business;

(d) Service performed on the navigable waters of the United States as to which this state is prohibited by the constitution and laws of the United States of America from requiring contributions of employers with respect to wages as provided in sections 268.03 to 268.24;

(e) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of 18 in the employ of his father or mother;

(f) Service performed in the employ of the United States government, or any instrumentality of the United States exempt under the constitution of the United States from the contributions imposed by sections 268.03 to 268.24, except that with respect to such service performed subsequent to December 31, 1939, and to the extent that the congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment compensation fund under a state unemployment compensation act: then, to the extent permitted by congress, and from and after the date as of which such permission becomes effective, all of the provisions of these sections shall be applicable to such instrumentalities and to services performed for such instrumentalities in the same manner, to the same extent, and on the same terms as to all other employers, employing units, individuals, and services; provided, that if this state shall not be certified for any year by the United States department of labor under section 3304(c) of the federal internal revenue code, the payments required of such instrumentalities with respect to such year shall be refunded by the commissioner from the fund in the same manner and within the same period as is provided in section 268.16, subdivision 6, with respect to contributions erroneously collected;

(g) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(h) (1) Service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501(a) (other than an organization described in section 401(a)) or section 521 of the federal internal revenue code, if the remuneration for such service is less than \$50; or

(2) Service performed in the employ of a school, college, or university, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university; or

(3) Service performed by an individual under the age of 22 who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a fulltime program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this paragraph shall not apply to service performed in a program established for or on behalf of an employer or group of employers;

(i) Service performed in the employ of a foreign government (including service as a consular or other officer or employee or a nondiplomatic representative);

(j) Service performed in the employ of an instrumentality wholly owned by a foreign government, if

(1) The service is of a character similar to that performed in foreign countries by employees of the United States government or of an instrumentality thereof; and

(2) The commissioner finds that the United States secretary of state has certified to the United States secretary of the treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States government and of instrumentalities thereof.

(k) Service covered by an arrangement between the commissioner and the agency charged with the administration of any other state or federal employment security law pursuant to which all services performed by an individual for an employing unit during the period covered by such employing unit's duly approved election, are deemed to be performed entirely within such agency's state;

(l) Service performed in the employ of a hospital, if such service is performed by a patient of the hospital, as defined in clause (16);

(m) Service performed subsequent to December 31, 1940, as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered and approved pursu-

ant to state law; and service performed as an intern in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered and approved pursuant to state law;

(n) Service performed subsequent to December 31, 1940, by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commission (the word "insurance" as used in this subdivision shall include an annuity and an optional annuity);

(o) Service performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(p) Service performed by an individual for a person as a real estate salesman, if all such service performed by such individual for such person is performed for remuneration solely by way of commission;

(q) If the service performed subsequent to December 31, 1940, during one half or more of any pay period by an individual for the person employing him constitutes employment, all the service of such individual for such period shall be deemed to be employment; but if the service performed during more than one half of any such pay period by an individual for the person employing him does not constitute employment, then none of the service of such individual for such period shall be deemed to be employment. As used in this subdivision, the term "pay period" means a period (of not more than 31 consecutive days) for which a payment or remuneration is ordinarily made to the individual by the person employing him.

(14) Except when performed for an institution of higher education, as defined in clause (15), or a hospital, as defined in clause (16), the term "employment" as applied to services performed by an individual for the state of Minnesota or any instrumentality wholly owned by the state, except political subdivisions or instrumentalities thereof, shall not include the following:

(a) Service performed by elected public officials and unclassified employees appointed for a definite term and employees of the legislature or a legislative commission employed as temporary employees, except after December 31, 1971, this exclusion shall not apply to service performed by unclassified employees in an instructional, research, or principal administrative capacity in an institution of higher education or a hospital;

(b) Service performed prior to January 1, 1972, by a faculty member in the employ of a university, college, school or any other institution of higher education which is supported wholly or substantially by public funds;

(c) Service performed by members of the Minnesota national guard when ordered to duty for military assignments;

(d) Service performed in the employ of the state natural resources department directly and solely in connection with emergency fire fighting, including but not limited to those persons temporarily employed for the purpose of detecting, locating, or suppressing forest fires.

(15) "Institution of higher education," for the purposes of this subdivision, means an educational institution which:

(a) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(b) Is legally authorized in this state to provide a program of education beyond high school;

(c) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and

(d) Is a public or other nonprofit institution.

(e) Notwithstanding any of the foregoing provisions of this clause, all colleges and universities in this state are institutions of higher education for purposes of this section.

(16) "Hospital" means an institution which has been licensed, certified or approved by the department of health as a hospital."

Amend the title as follows:

Line 5, strike "1974" and insert ", 1975 Supplement"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 1977 for comparison to companion Senate Files, reports the following House File was found identical and recommends the House File be given its Second Reading and substituted for its companion Senate File as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1977	1840				

And that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 357, 1848, 1865 and 830 were read the second time.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 404, 109, 1721, 717, 945 and 1977 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Gearty moved that the name of Mr. Spear be added as co-author to S. F. No. 1796. The motion prevailed.

Mr. Fitzsimons moved that the name of Mr. Perpich, A. J. be added as co-author to S. F. No. 1816. The motion prevailed.

Mr. McCutcheon moved that the name of Mr. Olhoft be added as co-author to S. F. No. 1860. The motion prevailed.

Mr. Gearty moved that the name of Mr. Stumpf be added as co-author to S. F. No. 1878. The motion prevailed.

### SUSPENSION OF RULES

Mr. Anderson moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 1977 and that the rules of the Senate be so far suspended as to give H. F. No. 1977, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 1977: A bill for an act relating to the operation of government; changing the qualification for community school programs aid and for certain proceeds of the supplementary tax on taconite and iron sulphides; clarifying the provisions for certain reductions of foundation aid; sanctioning the reduction of certain levies and authorizing certain transfers of funds; amending Minnesota Statutes, 1975 Supplement, Sections 124.271, Subdivision 1; and 298.244, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Spear
Ashbach	Fitzsimons	Knutson	Olson, A. G.	Stassen
Bang	Frederick	Kowalczyk	Olson, J. L.	Stokowski
Berg	Gearty	Larson	O'Neill	Stumpf
Bernhagen	Hansen, Baldy	Lewis	Patton	Tennessee
Blatz	Hansen, Mel	McCutcheon	Pillsbury	Ueland
Brataas	Hanson, R.	Merriam	Purfeerst	Wegener
Brown	Hughes	Milton	Renneke	Willet
Chenoweth	Humphrey	Moe	Schaaf	
Chmielewski	Jensen	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Solon	

Mr. Arnold voted in the negative.

So the bill passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Arnold moved that S. F. No. 661 be withdrawn from the Committee on Finance and re-referred to the Committee on Transportation and General Legislation. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, February 12, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SIXTY-SIXTH DAY**

**St. Paul, Minnesota, Tuesday, February 10, 1976**

**The House of Representatives met on Tuesday, February 10, 1976, which was the Sixty-Sixth Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.**

**SIXTY-SEVENTH DAY**

St. Paul, Minnesota, Wednesday, February 11, 1976

The House of Representatives met on Wednesday, February 11, 1976 which was the Sixty-Seventh Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.

## SIXTY-EIGHTH DAY

St. Paul, Minnesota, Thursday, February 12, 1976

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Phil Crum.

The roll being called, the following Senators answered to their names:

Anderson	Doty	Keefe, S.	North	Schaaf
Arnold	Dunn	Kirchner	Ogdahl	Schmitz
Ashbach	Fitzsimons	Kleinbaum	Olhoft	Schrom
Bang	Frederick	Knutson	Olson, A. G.	Sillers
Berg	Gearty	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Spear
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stassen
Brataas	Hanson, R.	Lewis	Patton	Stokowski
Brown	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Humphrey	Merriam	Perpich, G.	Ueland
Coleman	Jensen	Milton	Pillsbury	Wegener
Conzemius	Josefson	Moe	Purfeerst	Willet
Davies	Keefe, J.	Nelson	Renneke	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

### MEMBERS EXCUSED

Mr. Chmielewski was excused from the Session of today until 11:00 o'clock a.m. Messrs. Gearty, Kowalczyk and Pillsbury were excused from the Session of today at 1:00 o'clock p.m. Mrs. Brataas was excused from the Session of today at 2:00 o'clock p.m. Messrs. Borden and Tennesen were excused from the Session of today.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 9, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
	1741	3	February 6	February 6
816		4	February 6	February 6
866		5	February 6	February 6
906		6	February 6	February 6
1507		7	February 6	February 6

Sincerely,  
Joan Anderson Growe, Secretary of State

February 11, 1976

The Honorable Alec Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate Files:

S. F. No. 22, An Act relating to education; the establishment of educational cooperative service units to provide educational services and programs on a regional basis; providing for in-service training of teachers; appropriating money therefor.

Sincerely,  
Wendell R. Anderson, Governor

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Dunn, Ashbach and Bernhagen introduced—

S. F. No. 2036: A bill for an act relating to taxation; providing an income tax credit for commission to coal using facilities; amending Minnesota Statutes 1974, Section 290.06, Subdivision 9.

Referred to the Committee on Taxes and Tax Laws.

Mr. Hansen, Baldy; Mrs. Brataas and Mr. Kleinbaum introduced—

S. F. No. 2037: A bill for an act relating to medicine and osteopathy; authorizing continuing education requirements for licensed practitioners; amending Minnesota Statutes 1974, Chapter 147, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Anderson, Sillers and Knutson introduced—

S. F. No. 2038: A bill for an act relating to civil procedure; evidence in medical and allied professional negligence actions.

Referred to the Committee on Judiciary.

Messrs. Hansen, Baldy; Kleinbaum and Kowalczyk introduced—

S. F. No. 2039: A bill for an act relating to insurance; reporting of certain professional liability judgments or settlements.

Referred to the Committee on Judiciary.

Mr. Milton introduced—

S. F. No. 2040: A bill for an act relating to towns; election of officers; submittal of optional plans of town government to electors; amending Minnesota Statutes, 1975 Supplement, Sections 367.03, Subdivision 1; and 367.31, Subdivision 1.

Referred to the Committee on Local Government.

Messrs. Brown, Anderson and Milton introduced—

S. F. No. 2041: A bill for an act relating to education; smoking by students; allowing certain students to smoke in designated smoking areas.

Referred to the Committee on Education.

Mrs. Brataas and Messrs. Kowalczyk and Schrom introduced—

S. F. No. 2042: A bill for an act relating to unemployment compensation; providing for a mandatory eight week disqualification period for individuals voluntarily terminating employment without good cause or discharged for misconduct which is not gross misconduct and providing that those benefits not be paid until the individual is re-employed for two weeks; amending Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Hanson, R. and Pillsbury introduced—

S. F. No. 2043: A bill for an act relating to taxation; providing that unemployment compensation benefits be included in gross income if individual's other gross income exceeds \$10,000; amending Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kowalczyk and Pillsbury introduced—

S. F. No. 2044: A bill for an act relating to state government; permitting the commissioners of the departments of revenue, welfare, employment services, and labor and industry to exchange data on individuals under certain conditions.

Referred to the Committee on Judiciary.

Messrs. Hanson, R. and Olson, J. L. introduced—

S. F. No. 2045: A bill for an act relating to unemployment compensation; appropriating money to the unemployment compensation fund for the state's share of extended benefits paid in the year 1975 and payable in 1976.

Referred to the Committee on Labor and Commerce.

Messrs. Larson and Bernhagen introduced—

S. F. No. 2046: A bill for an act relating to unemployment compensation; appropriating money to the unemployment compensation fund to reimburse the fund for the state's share of benefits paid in 1975 and payable in 1976 to individuals following a period of disqualification.

Referred to the Committee on Labor and Commerce.

Mr. Hanson, R. introduced—

S. F. No. 2047: A bill for an act relating to unemployment compensation; providing for computation of the weekly benefit amount; amending Minnesota Statutes, 1975 Supplement, Section 268.07, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Messrs. Bernhagen and Kleinbaum introduced—

S. F. No. 2048: A bill for an act relating to unemployment compensation; providing that a person voluntarily terminating employment without good cause is disqualified from benefits; amending Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Conzemius, Stassen and Knutson introduced—

S. F. No. 2049: A bill for an act relating to municipalities within Dakota county providing for financing of the Dakota County League of Municipalities; amending Laws 1967, Chapter 112, Section 1

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Humphrey, O'Neill and Tennesen introduced—

S. F. No. 2050: A bill for an act relating to courts; increasing the jurisdictional limits in conciliation courts of Hennepin county and Ramsey county; requiring personal service of summons; amending Minnesota Statutes 1974, Sections 488A.12, Subdivision 3; 488A.14, Subdivision 4; 488A.29, Subdivision 3; and 488A.31, Subdivision 4.

Referred to the Committee on Judiciary.

Messrs. Chmielewski, Purfeerst and Laufenburger introduced—

S. F. No. 2051: A bill for an act relating to local improvements; council procedure; percentage payment on engineer's estimate; amending Minnesota Statutes 1974, Section 429.041, Subdivision 6.

Referred to the Committee on Local Government.

Mr. Hansen, Baldy introduced—

S. F. No. 2052: A bill for an act relating to the city of Albert Lea; providing that public housing property owned and operated by nonprofit organizations in that city be exempt from property taxation.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Doty and Solon introduced—

S. F. No. 2053: A bill for an act relating to elections; providing for nonpartisan municipal elections in Duluth; amending Minnesota Statutes 1974, Section 205.17.

Referred to the Committee on Transportation and General Legislation.

Messrs. Stassen, Moe and Hanson, R. introduced—

S. F. No. 2054: A bill for an act relating to game and fish; providing for permits to shoot or hunt from a standing vehicle to be issued to temporarily disabled persons; amending Minnesota Statutes, 1975 Supplement, Section 98.48, Subdivision 12.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Solon, Doty and Keefe, S. introduced—

S. F. No. 2055: A bill for an act relating to public employees; administrative expenses of salary deductions for annuity contracts; repealing Minnesota Statutes, 1975 Supplement, Section 356.26.

Referred to the Committee on Governmental Operations.

Messrs. Solon and Doty introduced—

S. F. No. 2056: A bill for an act relating to the city of Duluth; authorizing residential property rehabilitation loans.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Solon introduced—

S. F. No. 2057: A bill for an act relating to the city of Duluth; liquor license for the arena-auditorium complex; amending Laws 1967, Chapter 406, Section 1, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Mr. Merriam, Mrs. Brataas and Mr. Davies introduced—

S. F. No. 2058: A bill for an act relating to banks; amending the charter application appeals provisions; amending Minnesota Statutes 1974, Section 45.07.

Referred to the Committee on Labor and Commerce.

Messrs. Hughes, O'Neill and Anderson introduced—

S. F. No. 2059: A bill for an act relating to education; establishing the project for developing school accountability; appropriating money; repealing Minnesota Statutes 1974, Sections 3.925, 3.926, 3.927; and Minnesota Statutes, 1975 Supplement, Section 3.924.

Referred to the Committee on Education.

Mr. Davies introduced—

S. F. No. 2060: A bill for an act relating to commerce; interest rates on money; authorizing variable or indexed principal contracts; amending Minnesota Statutes 1974, Chapter 334, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. Stassen and Knutson introduced—

S. F. No. 2061: A bill for an act relating to traffic regulation; providing for traffic and parking regulation by school boards; providing a penalty; amending Minnesota Statutes 1974, Chapter 123, by adding a section.

Referred to the Committee on Transportation and General Legislation.

Messrs. Stassen and Knutson introduced—

S. F. No. 2062: A bill for an act relating to taxation; altering

calculation of levy limit base adjustments; amending Minnesota Statutes, 1975 Supplement, Section 275.52, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, S.; Milton and Davies introduced—

S. F. No. 2063: A bill for an act relating to health; providing for medical treatment of indigent patients at licensed Minnesota hospitals; amending Minnesota Statutes 1974, Chapter 158, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, S.; Humphrey and Lewis introduced—

S. F. No. 2064: A bill for an act relating to taxation; imposing a property tax on residential leasehold interests; amending Minnesota Statutes 1974, Sections 273.13, by adding a subdivision; 278.01; Chapter 276, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 274.01; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 1; 290A.05; 290A.07, Subdivision 2; 290A.09; 290A.10; and 290A.19.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, S.; Humphrey and Solon introduced—

S. F. No. 2065: A bill for an act relating to labor relations; providing that a successor clause in a collective bargaining agreement is binding on a successor employer; providing that if the successor employer is not notified of the existence of a successor clause, the sale, lease or transfer is voidable; amending Minnesota Statutes 1974, Chapter 179, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. Keefe, S. and Milton introduced—

S. F. No. 2066: A bill for an act relating to labor and employment; treatment of gratuities in computation of minimum wages; repealing Minnesota Statutes 1974, Sections 177.23, Subdivision 9; and 177.28, Subdivision 4.

Referred to the Committee on Labor and Commerce.

Mr. Brown introduced—

S. F. No. 2067: A bill for an act relating to game and fish; taking of animals by falconry; amending Minnesota Statutes 1974, Section 100.27, Subdivision 8.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Brown introduced --

S. F. No. 2068: A bill for an act authorizing the conveyance by the state of a certain easement over certain lands in the county of Washington.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Brown introduced—

S. F. No. 2069: A bill for an act relating to retirement; reinstating the right to purchase prior service credit by certain members of the teachers retirement fund; amending Minnesota Statutes 1974, Section 354.51, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Spear introduced—

S. F. No. 2070: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

Referred to the Committee on Transportation and General Legislation.

Mr. Gearty introduced—

S. F. No. 2071: A bill for an act relating to the tax court; establishing the tax court as a full time court; creating a small claims division; providing penalties; appropriating money; amending Minnesota Statutes 1974, Sections 15A.083, Subdivision 4; 271.01, Subdivisions 1 and 4a, and by adding a subdivision; 271.02; 271.03; 271.04; 271.06, Subdivisions 1, 2, 3, 4, 6, and by adding a subdivision; 271.07; 271.08; 271.09, Subdivisions 1, 2, and 3; 271.10, Subdivisions 1 and 2; 271.12; 271.13; 271.14; 271.15; 271.17; 271.18; 271.20; and 490.121, Subdivision 2; and Chapter 271, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 124.212, Subdivision 11; repealing Minnesota Statutes 1974, Sections 271.001; 271.01, Subdivisions 2 and 3; 271.06, Subdivision 5; 271.11; and 271.16.

Referred to the Committee on Judiciary.

Mr. Gearty introduced—

S. F. No. 2072: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 4; providing four year terms for members of the house of representatives.

Referred to the Committee on Transportation and General Legislation.

Mr. Gearty introduced—

S. F. No. 2073: A bill for an act relating to courts; allowance of attorneys fees upon appeal or removal from conciliation court; amending Minnesota Statutes 1974, Sections 488A.17, Subdivision 10; 488A.34, Subdivision 9; and Minnesota Statutes, 1975 Supplement, Section 487.30, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Gearty introduced—

S. F. No. 2074: A bill for an act relating to retirement; purchase of service credit by certain state employees or former employees; amending Minnesota Statutes 1974, Section 352.021, Subdivision 3.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski, Gearty and Hansen, Mel introduced—

S. F. No. 2075: A bill for an act relating to retirement; approval of benefits and contributions of teachers' retirement associations in cities of the first class; benefits and contributions in the city of Minneapolis; amending Minnesota Statutes, 1975 Supplement, Section 354A.12.

Referred to the Committee on Governmental Operations.

Messrs. Lewis, Brown and Conzemius introduced—

S. F. No. 2076: A bill for an act relating to corrections; amending Minnesota Statutes 1974, Section 241.01, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Ueland introduced—

S. F. No. 2077: A bill for an act relating to Blue Earth county; authorizing the county of Blue Earth to contract for the completion of the improvement of county ditch No. 27; setting limits for the expenditure of money for the improvement thereof; providing for the financing thereof; amending Laws 1975, Chapter 249, Section 1, Subdivision 1; and Section 2.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Purfeerst, Renneke and Conzemius introduced—

S. F. No. 2078: A bill for an act relating to metropolitan revenue distribution; changing the method of computing the

taxable valuation of certain governmental units; amending Minnesota Statutes 1974, Section 473F.08, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Tennesen and Humphrey introduced—

S. F. No. 2079: A bill for an act relating to garnishment; amending Minnesota Statutes 1974, Sections 550.02; 550.37, Subdivision 13; 571.41, Subdivisions 1 and 2; 571.55, Subdivisions 1 and 2; 571.57; 571.67; and Chapter 571, by adding sections; repealing Minnesota Statutes 1974, Sections 571.47; 571.48; and 571.49.

Referred to the Committee on Judiciary.

Messrs. Stassen, Knutson and O'Neill introduced—

S. F. No. 2080: A bill for an act relating to elections; providing for election of officers of cities of the first class without party designation; amending Minnesota Statutes 1974, Section 205.17, Subdivisions 1 and 3; and Minnesota Statutes, 1975 Supplement, Section 202A.28; repealing Minnesota Statutes 1974, Section 205.17, Subdivisions 2 and 4.

Referred to the Committee on Transportation and General Legislation.

Messrs. Purfeerst; Hanson, R. and Laufenburger introduced—

S. F. No. 2081: A bill for an act relating to motor vehicles; increasing the registration tax on certain vehicles; prescribing weight limitations on certain vehicles; providing penalties; amending Minnesota Statutes 1971, Section 168.013, Subdivisions 1c, 1e, 1g and 12, as amended; Minnesota Statutes 1974, Sections 168.012, Subdivision 7; 168.31, Subdivision 3; 169.83, Subdivisions 1, 2 and 3; 169.86, Subdivision 5, and by adding a subdivision; Minnesota Statutes, 1975 Supplement, Section 169.85; repealing Minnesota Statutes 1974, Section 169.831.

Referred to the Committee on Transportation and General Legislation.

Mr. Perpich, A. J. introduced—

S. F. No. 2082: A bill for an act relating to taxation; providing for payments from the taconite municipal aid account to certain cities and towns; amending Minnesota Statutes 1974, Section 298.282, Subdivision 2, and by adding subdivisions.

Referred to the Committee on Taxes and Tax Laws.

Mr. Perpich, A. J. introduced—

S. F. No. 2083: A bill for an act directing the sale of a certain parcel of tax forfeited land in St. Louis county.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Schmitz, Larson and Lewis introduced—

S. F. No. 2084: A bill for an act relating to peace officer training; providing that peace officers in governmental units of less than 1,000 population may not carry firearms or make arrests without peace officer training; amending Minnesota Statutes 1974, Section 626.846, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Borden and Merriam introduced—

S. F. No. 2085: A bill for an act relating to credit unions; authority of state chartered credit unions; amending Minnesota Statutes, 1975 Supplement, Section 52.04.

Referred to the Committee on Labor and Commerce.

Messrs. Knutson, Lewis and Humphrey introduced—

S. F. No. 2086: A bill for an act relating to education; school boards; providing for the appointment of student members of school boards; amending Minnesota Statutes, 1975 Supplement, Section 123.34, Subdivision 1.

Referred to the Committee on Education.

Messrs. Merriam; Hanson, R. and Kleinbaum introduced—

S. F. No. 2087: A bill for an act relating to workers' compensation insurance; providing for the approval of rates and classifications by the commissioner of insurance after a hearing; providing for a hearing procedure; requiring the commissioner to employ an actuary; permitting the commissioner to assess a fee to workers' compensation insurers; appropriating money; amending Minnesota Statutes 1974, Sections 60B.39, Subdivision 5; 79.01, Subdivision 1; 79.07; 79.09; 79.10; 79.11; 79.13; 79.17; 79.21; 79.24; 79.25; 79.26; 79.27; 79.29; 79.30; 79.31; 79.32; 176.185, Subdivision 1; and Chapter 79, by adding sections; Minnesota Statutes, 1975 Supplement, Section 79.28.

Referred to the Committee on Labor and Commerce.

Messrs. Kleinbaum, Ueland and Humphrey introduced—

S. F. No. 2088: A bill for an act relating to education; requiring state universities and state community colleges to accept at full value all college and university level credits earned at the university of Minnesota or at any other state university or state community college; urging the university of Minnesota to so accept state university and state community college credits.

Referred to the Committee on Education.

Messrs. Spear, Knutson and Merriam introduced—

S. F. No. 2089: A bill for an act relating to real estate; mortgage foreclosures; providing for additional service of notice of sale; amending Minnesota Statutes 1974, Sections 580.03; 580.15; and 581.01.

Referred to the Committee on Judiciary.

Mr. Arnold introduced—

S. F. No. 2090: A bill for an act relating to the legislature; legislative advisory committee; providing additional membership on the committee; amending Minnesota Statutes 1974, Section 3.30, Subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Arnold introduced—

S. F. No. 2091: A bill for an act relating to taxation; imposing a use tax on certain vehicles owned by foreign business and providing transportation services in the state; amending Minnesota Statutes 1974, Chapter 297A, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sillers, Renneke and Keefe, J. introduced—

S. F. No. 2092: A bill for an act relating to taxation; inheritance and gift taxes; increasing the amounts of certain exemptions; removing discriminatory sex provisions; amending Minnesota Statutes 1974, Sections 291.03; 291.05; 291.10; 291.14, Subdivision 2; 292.05, Subdivision 1; and 292.07, Subdivisions 3 and 5.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sillers, Frederick and Keefe, J. introduced—

S. F. No. 2093: A bill for an act relating to taxation; inheritance and gift taxes; reducing the taxes imposed thereon; removing discriminatory sex provisions; amending Minnesota Statutes 1974, Sections 291.03; 291.05; 292.05, Subdivision 1; and 292.07, Subdivisions 2, 3, and 5.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sillers, Frederick and Keefe, J. introduced—

S. F. No. 2094: A bill for an act relating to taxation; providing an average limitation on income tax for individuals, amending Minnesota Statutes 1974, Chapter 290, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sillers, Renneke and Josefson introduced—

S. F. No. 2095: A bill for an act relating to taxation; altering the presumption of ownership on property jointly owned by husband and wife; amending Minnesota Statutes 1974, Section 291.01, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. North introduced—

S. F. No. 2096: A bill for an act relating to metropolitan government; changing the metropolitan parks and open space commission to the metropolitan parks, arts and recreation commission and prescribing its powers and duties; authorizing the metropolitan council to issue bonds and levy taxes therefor; authorizing the commission to impose an admissions tax; imposing a transient lodging tax in the metropolitan area; requiring the completion of an environmental impact statement prior to construction of a new sports facility; requiring a certificate of need for regional recreational facilities; amending Minnesota Statutes 1974, Chapter 473, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 473.121, Subdivisions 7 and 14; 473.146, by adding a subdivision; 473.147; 473.301; 473.302; and 473.303, Subdivision 1; repealing Minnesota Statutes 1974, Section 340.11, Subdivision 11a.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Hansen, Mel; Keefe, S. and Brown introduced—

S. F. No. 2097: A bill for an act relating to elections; providing for additional attestations for certain absentee ballots; amending Minnesota Statutes 1974, Section 207.08.

Referred to the Committee on Transportation and General Legislation.

Mr. Gearty introduced—

S. F. No. 2098: A bill for an act relating to torts; defining the state's liability for torts.

Referred to the Committee on Judiciary.

Mr. Gearty introduced—

S. F. No. 2099: A bill for an act relating to the operation and structure of state government; eliminating certain qualifications for the office of commissioner of personnel; amending Minnesota Statutes 1974, Section 43.001, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Merriam; Hanson, R. and Laufenburger introduced—

S. F. No. 2100: A bill for an act relating to insurance; defining persons entitled to participate in the assigned claims plan for motor vehicle injuries; amending Minnesota Statutes 1974, Section 65B.64, Subdivision 1.

Referred to the Committee on Labor and Commerce.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned:

S. F. No. 234.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 11, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1405: A bill for an act relating to the city of Edina; establishing terms for certain municipal offices.

Senate File No. 1405 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 11, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Bang moved that the Senate concur in the amendments by the House to S. F. No. 1405 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1405 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Bernhagen	Dunn	Hansen, Mel	Keefe, S.
Arnold	Brown	Fitzsimons	Hanson, R.	Kirchner
Ashbach	Coleman	Frederick	Hughes	Kleinbaum
Bang	Davies	Gearty	Jensen	Knutson
Berg	Doty	Hansen, Baldy	Josefson	Kowalczyk

Larson	Nelson	Patton	Schaaf	Stokowski
Laufenburger	Olhoft	Perpich, A. J.	Schmitz	Stumpf
Merriam	Olson, A. G.	Perpich, G.	Schrom	Ueland
Milton	Olson, H. D.	Pillsbury	Sillers	Wegener
Moe	Olson, J. L.	Purfeerst	Solon	Willet

So the bill, as amended, was repassed and its title was agreed

### MESSAGES FROM THE HOUSE—CONTINUED

the passage by the House of the following: herewith transmitted:

H. F. Nos. 814, 1061 and 1995.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 9, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted.

H. F. Nos. 568 and 1284.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 10, 1976

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 814: A bill for an act relating to taxation; authorizing an increase in fees charged for preparation of delinquent tax, current tax and federal tax lien certificates; amending Minnesota Statutes 1974, Sections 272.12; 272.47; and 272.483.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1061: A bill for an act relating to ethics in government; redefining political party; amending Minnesota Statutes 1974, Section 10A.27, Subdivision 4.

Referred to the Committee on Rules and Administration.

H. F. No. 1995: A bill for an act relating to education; eye protection requirements for certain industrial and scientific courses; defining industrial quality eye protective devices; amending Minnesota Statutes 1974, Section 126.20, Subdivision 6.

Referred to the Committee on Labor and Commerce.

H. F. No. 568: A bill for an act relating to public utilities; restricting construction of electric transmission lines to certain areas; amending Minnesota Statutes 1974, Section 116C.57, by adding a subdivision.

Referred to the Committee on Labor and Commerce.

H. F. No. 1284: A bill for an act relating to aeronautics; providing for airport zoning regulation by municipalities and joint airport zoning boards; amending Minnesota Statutes 1974, Sections 360.063, Subdivisions 1, 3, and 5, and by adding a subdivision; 360.067, Subdivision 4; 360.069; and 360.071, Subdivision 2; repealing Minnesota Statutes 1974, Section 360.063, Subdivision 2.

Referred to the Committee on Rules and Administration.

### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S. F. No. 1784 and reports pertaining to appointments. The motion prevailed.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 1653: A bill for an act relating to land planning in the metropolitan area; requiring local adoption of minimum plans and controls; providing for limited council review and acceptance prior to the adoption of such plans and controls; providing for an advisory metropolitan land planning committee; providing for the enforcement of adopted local plans and controls; including certain expenses in the definition of special levy; providing for interim zoning; amending Minnesota Statutes 1974, Section 462.355, by adding a subdivision; and Laws 1975, Chapter 13, Section 19, and by adding sections.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 4 and 16, strike "*17 of this act*" and insert "*18*"

Page 2, lines 20 to 21, strike "*of this act*"

Page 2, strike line 13 after "*Sec. 2.*"

Page 2, strike line 14

Page 2, line 15, strike "*Sec. 144A.*"

Page 2, line 29, strike "*capital*" and insert "*public*"

Page 2, line 31, after "*and the*" insert "*financial*"

Page 2, line 32, strike "*current*"

Page 3, line 1, strike "*operating expense of the*"

Page 3, line 5, strike "*of this act*"

Page 3, line 15, strike the comma and insert a semicolon

Page 3, line 32, and page 4, lines 1 to 7, strike all of subdivision 11

Page 4, strike line 8 after "Sec. 3."

Page 4, strike line 9

Page 4, line 10, strike "*Sec. 144B.*"

Page 4, line 11, strike "*may*" and insert "*shall*"

Page 4, line 12, strike "4" and insert "473.127" and in lines 12 and 13 strike "*officials of local governmental units*" and insert "*members*"

Page 4, line 16, after the period, insert "*At least one half of the members of the advisory committee shall be elected officials of local governmental units. The members shall be appointed for the same period as the term of the council member for the district in which the member resides.*"

Page 4, strike line 17 after "Sec. 4."

Page 4, strike line 18

Page 4, line 19, strike "*Sec. 144C.*"

Page 4, lines 21 and 24, strike "*17 of this act*" and insert "18"

Page 4, strike line 25 after "Sec. 5."

Page 4, strike line 26

Page 4, line 27, strike "*Sec. 144D.*"

Page 4, line 28, strike "1976" and insert "1977"

Page 5, line 1, strike "*appropriate*"

Page 5, line 6, strike "*as appropriate*"

Page 5, line 16, strike the period and insert a semicolon

Page 5, after line 16, insert a new paragraph to read:

*"(c) Any parts of the land use plan, public facilities plan or implementation program which may be excluded from the plan of the local governmental unit. The exclusion of parts shall be based on the nature and character of existing and projected development within each local governmental unit and on policies, statements, and recommendations contained in metropolitan systems plans."*

Page 5, strike lines 17 to 23 and insert:

*"Subd. 2. Within 60 days following the receipt of a metropolitan systems statement, a local governmental unit may by resolution request that the metropolitan council modify any portion of the metropolitan systems statement. A request for modification shall be accompanied by an explanation of the reasons for the request. The council shall refer*

*the request to the advisory metropolitan land use committee for a hearing under section 12. If no request for a hearing is received by the council within 60 days following receipt of the systems statement by the local governmental unit, the statement shall be final and not be subject to a request for a hearing under section 12."*

Page 5, strike line 24 after "Sec. 6."

Page 5, strike line 25

Page 5, line 26, strike "*Sec. 144E.*"

Page 5, line 30 and line 31, strike "*17 of this act*" and insert "*18*"

Page 6, line 1, strike "*of this act*"

Page 6, lines 2, 15 and 24, strike "*17 of this act*" and insert "*18*"

Page 6, strike line 25, after "Sec. 7."

Page 6, strike line 26

Page 6, line 27, strike "*Sec. 144F.*"

Page 7, line 11, strike "*17 of this act*" and insert "*18*"

Page 7, line 21, strike "*also*"

Page 7, line 23, strike "*28*" and insert "*473.204*" and after the period insert: "*The land use plan shall also include a housing element containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and metropolitan housing needs.*"

Page 8, lines 13 and 14, strike "*, fiscal devices*"

Page 8, line 15, after the period, insert "*The implementation program may include a discussion of the valuation of property pursuant to Minnesota Statutes, Section 273.11, the designation of permanent rural service districts, pursuant to Minnesota Statutes, Section 272.67, and the establishment of development districts pursuant to Minnesota Statutes, Section 472A.01 to 472A.13 and any other statute authorizing the creation of districts in which the use of tax increment bonding is authorized.*"

Page 8, strike line 22 after "Sec. 8."

Page 8, strike line 23

Page 8, line 24, strike "*Sec. 144G.*"

Page 8, lines 28 and 29, strike "*of this act*"

Page 8, line 32, strike "*of*"

Page 9, line 1, strike "*this act*"

Page 9, line 9, strike "*1975*" and insert "*1976*"

Page 9, line 17, strike "Laws 1975, Chapter 13, Section 19" and insert "Minnesota Statutes, 1975 Supplement, Section 473.175"

Page 9, line 19, strike "Sec. 19." and delete the brackets around "473.175"

Page 10, line 6, after "may" insert ", by resolution,"

Page 10, line 7, strike ", solely to" and insert "*which may have a substantial impact on or contain a substantial departure from*"

Page 10, line 8, strike "ensure conformity with"

Page 10, line 11, strike "17 of this act" and insert "18"

Page 10, line 18, after "unit" insert ", until a final decision, order, or judgment has been made pursuant to this section or section 12,"

Page 10, line 20, after the period insert "*The local governmental unit, within 60 days of the receipt of the required modifications may by resolution request that a hearing be held under section 12. If, within 60 days, a request for a hearing under section 12 has not been received, the council decision shall make its final decision on the required modifications.*"

Page 10, line 30, strike the second "may" and insert "shall"

Page 11, lines 11 and 12, strike "1 to 17 of this act" and insert "6 to 11, and 15,"

Page 11, line 13, strike "17 of this act" and insert "18"

Page 11, line 20, strike "1977" and insert "1978"

Page 11, strike line 29 after "Sec. 10."

Page 11, strike line 30

Page 11, line 31, strike "Sec. 144H."

Page 12, line 4, strike "of this act" and insert "*and following a final decision, order, or judgment pursuant to sections 9 or 12*"

Page 12, line 5, before "plans" insert "comprehensive"

Page 12, strike line 8 after "Sec. 11."

Page 12, strike line 9

Page 12, line 10, strike "Sec. 144I."

Page 12, after line 22, insert a section to read:

"Sec. 12. [473.192] [HEARING PROCEDURE.] *Subdivision 1. Upon a request for a hearing under section 5, subdivision 2, or section 9, subdivision 2, the council shall refer the request to the advisory metropolitan land use committee. Unless the request for a hearing includes a request for a hearing examiner, the committee shall review the systems statement or the council required modifications, and submit its findings of facts and recommendations to the council. A hearing at which the review will take place shall be held within 60 days following the request, provided that the committee may consolidate hearings on related requests. Within 30 days after the receipt of the findings and recommendations, the council shall, by resolution containing findings of fact and conclusions, make a final determination respecting the proposed metropolitan systems statement, or required modifications of the comprehensive plan.*

*Subd. 2. Any local governmental unit, upon the referral of a matter to the advisory committee under subdivision 1, may request that a hearing be conducted by the state office of hearing examiners in the manner provided in chapter 15 for contested cases. If a request for a hearing is made, the hearing shall be held by the examiner within 60 days, and the examiner shall forward his report directly to the council. Upon receipt of the report of the hearing examiner, the council shall make its final decision respecting the systems statement or required modification of the comprehensive plan in the manner provided in chapter 15 for contested cases. The party requesting the use of a hearing examiner shall be responsible for the costs of the hearing.*

*Subd. 3. A hearing conducted under subdivisions 1 and 2 shall consider the content of the systems statement and the factual assumptions upon which it was based; or in hearings on required modifications, the nature and significance of the alleged impact upon or departure from a metropolitan systems plan, the consistency of the recommendation of the council with other similar council action, and the support for and reasonableness of the recommended action of the council. The hearings shall not consider the need for or reasonableness of the metropolitan systems plans or parts thereof.*

*Subd. 4. At any point in the procedure established in this section, the council and the local governmental unit may resolve their disagreement by stipulation. Any local governmental unit or other person aggrieved by a final council order pursuant to sections 5, 9, or this section, may appeal the council order pursuant to Minnesota Statutes, Sections 15.0424, 15.0425, and 15.0426, for contested cases. The council, unit, district or other person aggrieved by a final order or judgment rendered on appeal to the district court may appeal therefrom to the supreme court in the manner provided in civil actions. The report of the hearing examiner or advisory committee shall be a part of the record upon which judicial review is based and shall be considered by the court in determining whether the council's final action is supported by substantial evidence and not arbitrary and capricious."*

Page 12, strike line 23 after "Sec. 12."

Page 12, strike line 24

Page 12, line 25, strike "Sec. 21A."

Page 12, lines 28, and 31 to 32, strike "17 of this act" and insert "18"

Page 13, strike line 30 after "Sec. 13."

Page 13, strike line 31

Page 13, line 32, strike "Sec. 144J."

Page 14, lines 2 to 3, strike "17 of this act" and insert "18"

Page 14, lines 14 and 15, strike "of this act"

Page 14, line 16, strike "1974"

Page 14, strike line 21 after "Sec. 15."

Page 14, strike line 22

Page 14, line 23, strike "Sec. 144K."

Page 15, line 24, strike "of this act"

Page 16, lines 3 to 4, strike "16 of this act" and insert "17"

Page 16, lines 4 to 5, strike "Laws 1975, Chapter 13" and insert "Minnesota Statutes, Chapter 473"

Page 16, line 6, after "system" insert a period and strike the remainder of the line and also lines 7 and 8.

Page 16, lines 9 to 11, strike all of Sec. 18

Renumber the sections in sequence

Further amend the title as follows:

Page 1, lines 12 and 13, strike "Laws 1975, Chapter 13, Section 19, and by adding sections" and insert "Minnesota Statutes, 1975 Supplement, Section 473.175"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1901: A bill for an act relating to cooperative associations; providing for changes in the electing of directors; amending Minnesota Statutes 1974, Sections 308.09, Subdivision 1; and 308.11.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 27, after the period insert "*If any member of an association is a family farm corporation within the meaning of section 500.24, subdivision 1, clause (c), or an authorized farm corporation within the meaning of section 500.24, subdivision 1, clause (d), the member may elect or appoint any one stockholder of such corporation residing on or actively operating the farm who shall be eligible for election to the board of directors.*"

Page 2, line 28, after "person" insert "*, family farm corporation, or an authorized farm corporation,*"

Page 2, line 30, after "or" and before "more" insert "*, in the case of associations wholly constituted of other cooperative associations, one or"*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1813: A bill for an act authorizing the conveyance by the state of certain lands located in Roseau county.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

H. F. No. 1880: A bill for an act relating to state lands; conveyance; authorizing the conveyance by the state of certain lands in the county of Kittson.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 995: A bill for an act relating to agriculture; requiring the regulation of the spraying and dusting of crops; requiring the regulation of agricultural pest control; weed seed; regulating economic poisons and devices; amending Minnesota Statutes 1974, Sections 18.033, by adding a subdivision; 18A.07; 21.47, Subdivisions 8 and 9; 21.49, Subdivision 1; and 24.074.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert the following:

*"Section 1. [DEFINITIONS.] Subdivision 1. For the purpose of administering sections 1 to 25, the words and terms defined in this section have the meanings given them.*

*Subd. 2. "Active ingredient" means any ingredient which will prevent, destroy, repel, control, or mitigate any pests, or which acts as a plant regulator, defoliant, or desiccant.*

*Subd. 3. "Administrator" means the administrator of the United States environmental protection agency.*

*Subd. 4. "Adulterated" means any pesticide the strength or purity of which falls below the standard of quality as expressed on the labeling under which it is sold, any pesticide for which any substance has been substituted wholly or in part, or any pesticide from which any valuable constituent has been wholly or in part abstracted.*

*Subd. 5. "Approved agency" means an agency of a county, municipality or other political subdivision which has inspection personnel capable of carrying out the provisions of sections 1 to 25 and which has signed an agreement pursuant to Minnesota Statutes, Section 471.59.*

*Subd. 6. "Beneficial insects" means those insects which during their life cycle, are effective pollinators of plants, are parasites or predators of pests, or are otherwise beneficial.*

*Subd. 7. "Certified applicator" means an individual, including persons defined as commercial applicator, noncommercial applicator, private applicator, and structural pest control applicator, certified under sections 1 to 25 to use or supervise the use of any restricted use pesticide.*

*Subd. 8. "Commercial applicator" means a certified applicator other than a private applicator or noncommercial applicator who uses or supervises the use of any pesticide for any purpose or on any land.*

*Subd. 9. "Commissioner" means the commissioner of agriculture or his agent.*

*Subd. 10. "Device" includes any instrument, contrivance, or equipment other than a firearm, used for the application of pesticides when sold separately therefrom, intended for trapping, destroying or repelling pests.*

*Subd. 11. "Distribute" means to offer for sale, sell, barter, ship, deliver for shipment, receive and deliver, and offer to deliver pesticides in this state.*

*Subd. 12. "Environment" includes water, air, land, plants, man, and animals and their inter-relationships.*

*Subd. 13. "EPA" means the United States environmental protection agency.*

*Subd. 14. "FIFRA" means the federal insecticide, fungicide, rodenticide act, as amended.*

*Subd. 15. "Imminent hazard" means the continued use of a pesticide, during the time required for cancellation proceedings, which will likely result in unreasonable adverse effects on the environment or will involve unreasonable hazard to the survival of a species declared endangered by the United States secretary of the interior under P.L. 91-135.*

*Subd. 16. "Ingredient statement" means a statement which contains the name and percentage of each active ingredient, the total percentage of all inert ingredients in the pesticide and, if the pesticide contains arsenic in any form, the percentages of total and water soluble arsenic each calculated as elemental arsenic.*

*Subd. 17. "Label" means the written, printed or graphic matter on, or attached to, the pesticide or device or any of their containers or wrappers.*

*Subd. 18. "Labeling" means all labels and other written, printed, or graphic matter:*

*(a) upon any pesticide or device or any of their containers or wrappers;*

*(b) accompanying the pesticide or device;*

*(c) to which reference is made on the label or literature accompanying the pesticide or device; or*

*(d) which relates or refers to the pesticide or device for the purpose of inducing the sale thereof.*

Current official publications of the EPA, United States department of agriculture, United States department of interior, United States department of health, education and welfare, state agricultural experiment stations, state agricultural colleges, and other similar federal or state institutions or agencies authorized by law to conduct research in the field of pesticides are not labeling.

Subd. 19. "Land" means all land and water areas including air space and all plants, animals, structures, buildings, contrivances and machinery whether fixed or mobile, including anything used for transportation.

Subd. 20. "Licensed pesticide dealer" means any pesticide dealer licensed by the commissioner who sells to the ultimate consumer or any person licensed by the commissioner purchasing from an unlicensed source for his own use any restricted use pesticide.

Subd. 21. "Misbranded" applies to any pesticide or device that is an imitation of or is offered for sale under the name of another pesticide or a pesticide the labeling of which does not comply with the labeling requirements of sections 1 to 25 or rules promulgated thereunder, or the FIFRA and regulations promulgated thereunder.

Subd. 22. "Noncommercial applicator" means a person, including government officials, other than a commercial applicator, structural pest control applicator or private applicator who uses or supervises the use of restricted use pesticides on lands.

Subd. 23. "Person" means any individual, firm, corporation, partnership, association, trust, joint stock company or unincorporated organizations.

Subd. 24. "Pest" means any insect, rodent, nematode, fungus, weed, terrestrial or aquatic plant, animal life, virus, bacteria, or other organism which the commissioner by rule declares to be a pest except virus, bacteria, or other micro-organism on or in living man or other living animals.

Subd. 25. "Pesticide" means any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest, and any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

Subd. 26. "Plant regulator" means any substance or mixture of substances intended through physiological action to accelerate or retard the rate of growth or rate of maturation of a plant, or to otherwise alter the behavior of ornamental or crop plants or the produce thereof, but shall not include substances to the extent that they are intended as plant nutrients, trace elements, nutritional chemicals, plant inoculants, or soil amendments.

Subd. 27. "Private applicator" means a person who uses or supervises the use of any restricted use pesticide for the purpose of producing any agricultural commodity on land owned or rented by him or his employer or, if applied without compensation other than trading of personal services between producers of agricultural commodities, on the land of another person.

*Subd. 28. "Protect the environment" means to protect against any unreasonable adverse effects on the environment other than on pests.*

*Subd. 29. "Registrant" means a person who has registered any pesticide under sections 1 to 25.*

*Subd. 30. "Restricted use pesticide" means any pesticide formulation designated under FIFRA or by the commissioner under sections 1 to 25 which when used in accordance with the directions for use and for the uses for which it is registered requires additional restrictions as to the rates, areas, times and conditions of use to protect the environment.*

*Subd. 31. "Spraying or dusting operations for hire" means the application for compensation of pesticides or plant growth regulators to land in any manner to regulate plant growth or to control or eradicate pests.*

*Subd. 32. "Structural pest" means pests in, on, under, or within six feet of any structure.*

*Subd. 33. "Structural pest control" means to control any pest through the use of any device, procedure, or application of pesticide in any house or in other structures including trucks, boxcars, ships, aircraft, docks, warehouses, and in fumigation vaults, and all business activity related to use of the device, procedure, or application of pesticide.*

*Subd. 34. "Structural pest control applicator" means any person engaged in structural pest control work for hire on the lands of another.*

*Subd. 35. "Under the direct supervision of a certified applicator" means, unless otherwise prescribed by its labeling, a pesticide applied by a person acting under the instruction and control of a certified applicator who is available even though such certified applicator is not physically present at the time and place the pesticide is applied.*

*Subd. 36. "Unreasonable adverse effects on the environment" means any unreasonable risk to the environment, considering the economic, social and environmental costs and benefits of the use of any pesticide.*

*Subd. 37. "Wildlife" means all living things that are neither human, domesticated, nor defined in sections 1 to 25.*

**Sec. 2. [REGISTRATION, SALES, FEE.]** *Subdivision 1. Every pesticide offered for sale, sold or distributed in this state shall be registered with the commissioner. Registration shall be renewed annually prior to January 1. Registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at the plant or warehouse as a constituent part to make a pesticide which is registered under the provisions of sections 1 to 25.*

*Subd. 2. The applicant for registration shall file with the commissioner a statement which shall include:*

(a) *The name and address of the applicant and the name and address of the person whose name will appear on the label, if other than the applicant;*

(b) *The name of the pesticide;*

(c) *Other necessary information required by the registration form;*

(d) *A complete copy of the labeling accompanying the pesticide and a statement of all claims to be made for it, including the directions for use and the use classification as provided for in FIFRA.*

*Subd. 3. The commissioner may require the submission of the complete formula of any pesticide including the active and inert ingredients.*

*Subd. 4. The commissioner may require the submission of other information.*

*Subd. 5. Each application for registration and renewal shall be accompanied by a registration fee of \$10 for each pesticide registered. All such registrations shall expire on December 31 of any one year, unless cancelled.*

*Subd. 6. Any registration in effect on December 31 for which a renewal application has been made and the proper fee paid, shall continue in full force and effect until such time as the commissioner notifies the applicant that the registration has been renewed or until the registration is denied or cancelled.*

*Subd. 7. If the renewal of a pesticide registration is filed after December 31, or an original application is filed after the first month the pesticide is first manufactured or sold within this state, an additional fee of \$5 shall be paid by the applicant before the registration for that pesticide may be issued or renewed.*

*Subd. 8. The commissioner shall not make lack of essentiality a criterion for denying registration of any pesticide.*

*Sec. 3. [SPECIAL LOCAL NEEDS.] If the state is certified by the administrator to register pesticides to meet special local needs, the applicant shall supply the information required by section 2 and the commissioner shall, subject to the terms and conditions of certification, register such pesticide if he determines that:*

(a) *Its composition is such as to warrant the proposed claims for it;*

(b) *Its label and other material required to be submitted comply with the requirements of sections 1 to 25;*

(c) *It will perform its intended function without unreasonable adverse effect on the environment;*

(d) *When used in accordance with widespread and commonly recognized practice it will not generally cause unreasonable adverse effects on the environment;*

(e) *The proposed classification for general use or restricted use, or both, is in conformity with FIFRA;*

(f) *A special local need exists.*

*The commissioner may require a full description of tests and test results upon which claims are based for any pesticide not registered pursuant to section 3 of FIFRA, or for any pesticide on which restrictions are being considered.*

*The commissioner may require other information. The applicant may request confidentiality of information submitted pursuant to section 15 of this act.*

Sec. 4. [EXPERIMENTAL USE PERMITS.] *If the state is authorized by the administrator to issue experimental use permits, the commissioner may:*

(a) *Issue an experimental use permit if he determines that the applicant needs the permit in order to accumulate information necessary to register a pesticide under section 2. An application for an experimental use permit may be filed at any time;*

(b) *Refuse to issue an experimental use permit if he determines that issuance of such permit is not warranted or that the use to be made of the pesticide under the proposed terms and conditions may cause unreasonable adverse effects on the environment;*

(c) *Prescribe terms, conditions, and period of time for the experimental use permit; and*

(d) *Revoke or modify an experimental use permit at any time if he finds that its terms or conditions are being violated, or that its terms and conditions are inadequate to avoid unreasonable adverse effects on the environment.*

Sec. 5. [CERTIFICATION REQUIREMENTS; PROHIBITION.] *No person shall use or supervise the use of any restricted use pesticide without first complying with the certification requirements of sections 1 to 25, and with any other conditions determined by the commissioner to be necessary to prevent unreasonable adverse effects on the environment. A person who is not a certified applicator may use a restricted use pesticide under the direct supervision of a certified applicator.*

Sec. 6. [LICENSE, REGISTRATION, DEALER, APPLICATOR, FEE.] *Subdivision 1. [RESTRICTED USE PESTICIDE DEALER LICENSE.] (a) Any person offering for sale or having in his possession with intent to distribute to the ultimate user a restricted use pesticide and any private applicator purchasing from an unlicensed source for his own use any restricted use pesticide shall obtain a license from the commissioner. Application for a restricted use pesticide dealer license shall be made upon the forms and in the manner, which may include an examination, as the commissioner requires to determine if the applicant is qualified to sell restricted use pesticides.*

(b) *Application for a license requires payment of a fee of \$35. Licenses shall be renewed annually prior to January 1, upon receipt of a \$35 fee and the completed application form.*

(c) *If an application for renewal of a restricted use pesticide dealer license is not filed prior to January 1 of any one year, an*

*additional fee of \$10 shall be paid by the applicant before the renewal license may be issued.*

*(d) The dealer license shall not be transferable to another person or to another location.*

*(e) Each licensed restricted use pesticide dealer shall be responsible for the acts of each person employed by him in the solicitation and sale of restricted use pesticides.*

*(f) Provisions of this subdivision shall not apply to:*

*(1) A licensed commercial applicator, noncommercial applicator or structural pest control applicator who sells or uses pesticides only as an integral part of his pesticide application service;*

*(2) A federal, state, county, or municipal agency which provides pesticides only for its own programs; and*

*(3) A duly licensed pharmacist, physician, dentist, or veterinarian when administering or dispensing a restricted use pesticide for use in man or other animal in his practice.*

*Subd. 2. [COMMERCIAL APPLICATOR LICENSE.] (a) No commercial applicator shall use or supervise the use of any pesticide without a commercial applicator's license issued by the commissioner. Application for the license shall be made upon forms and in such manner, which may include an examination, as the commissioner may require. An aerial applicator shall secure an endorsement to his license showing that he has been licensed for commercial spraying or dusting operations, or both, in accordance with Minnesota Statutes, Chapter 360, and that he has passed an examination prepared by the department of aeronautics and administered by the department of agriculture, testing whether he is knowledgeable in the aerial application of pesticides. A person intending to apply pesticides in any public waters shall secure an endorsement to his license showing that he has passed an examination prepared by the department of natural resources and administered by the department of agriculture, testing whether he is knowledgeable in the application of pesticides in water.*

*(b) The commissioner may renew any applicator's license, subject to reexamination or other requirements imposed by the commissioner to ensure that the applicator understands changing technology and to assure a continuing level of competence and ability to use pesticides safely and properly.*

*(c) Each application for a license shall require payment of an annual fee of \$10 and an identification card fee of \$7.50 for the applicant and \$7.50 for each additional identification card desired.*

*(d) If the renewal application is not filed prior to March 1 in any year, an additional fee of \$5 shall be paid by the applicant before the renewal license may be issued.*

*(e) The license issued shall not be transferable to another person.*

*(f) Every licensee or his designated operator shall have an identification card when applying pesticides for hire and shall dis-*

play it upon demand of an authorized representative of the commissioner or a law enforcement officer. The identification card shall contain such information as the commissioner may by rule require.

(g) A person required to be licensed under this subdivision who carries on spraying or dusting operations for hire or who employs or engages an applicator to carry on spraying or dusting operations for hire, shall be responsible for proper application of the material or device. He shall use materials, dosages, formulas, devices and methods of application acceptable to the commissioner based upon registered approved uses of the material or device within limits prescribed by state and federal laws and regulations. He shall not be held liable for the actions of a chemical when applied in accordance with the recommendation of the manufacturer and the commissioner.

**Subd. 3. [STRUCTURAL PEST CONTROL APPLICATOR LICENSE, REGISTRATION.]** (a) No person shall engage in structural pest control applications for hire unless registered or licensed by the commissioner. Before any person shall engage in structural pest control application he shall apply on forms supplied by the commissioner for a registration or license to engage in such activities. The commissioner shall determine from the application and the statements contained therein if such applicant is qualified to be registered or to receive a license. The commissioner shall require the applicant to pass a written or an oral examination, or both, and may also require a practical demonstration regarding structural pest control. The examination procedure, including all the phases and contents of the examination, shall be established by the commissioner.

(b) A registration or license is effective until January 1 next following the date of its issuance, and may be renewed annually on or before that date. Registrations or licenses are not transferable to any other person.

(c) An annual fee of \$15 must accompany an application for registration or renewal where the applicant is licensed by a political subdivision or municipality to engage in structural pest control or \$75 if the applicant is not so licensed. Employees of a person who is registered or licensed under this subdivision shall pay a fee of \$10 for an initial license or registration and a fee of \$6 for each renewal thereof. The commissioner may establish other requirements for renewal as are necessary to assure competence of registrants or licensees.

(d) In case a delinquency in the payment of the license or registration renewal fee extends beyond three months the licensee or registrant will be required to obtain a new license or registration subject to all the requirements, procedures and fees required for an initial license or registration.

(e) The commissioner shall establish categories of master, journeyman, and apprentice in structural pest control applications. No person shall engage in structural pest control applications as a sole proprietorship, company, partnership, or corporation unless he is licensed or registered as a master in structural pest control applications or unless he employs a person so licensed or registered.

(f) *The commissioner shall notify each licensee or registrant by mail that his fee is due and payable and if not received before the expiration date of the registration or license 50 percent will be added to the required annual renewal fee or fees.*

**Subd. 4. [NONCOMMERCIAL APPLICATOR.]** (a) *No non-commercial applicator may use a restricted use pesticide or supervise the use of a restricted use pesticide without having a valid noncommercial applicator license issued by the commissioner for use categories or subcategories for which the pesticide application is made.*

(b) *License applications shall be made upon forms and in the manner, which may include an examination, as the commissioner may prescribe to determine if the applicant is qualified.*

(c) *The commissioner may renew a license subject to re-examination or other requirements designed to ensure that the applicator continues to understand changing technology and to assure a continuing level of competence and ability to use pesticides safely and properly.*

(d) *Each application for a license shall require payment of an annual fee of \$10 and an identification card fee of \$7.50 for the applicant and \$7.50 for each additional identification card desired. Governmental agencies shall be exempt from the fee. The license shall be renewed annually prior to January upon payment of applicable fees and compliance with any other requirement.*

(e) *If an application for renewal of license is not filed prior to March 1, in any year, an additional fee of \$5 shall be paid by the applicant before the renewal license may be issued.*

**Sec. 7. [CLASSIFICATION OF LICENSES; STANDARDS.]** *The commissioner may classify or subclassify certifications or licenses as necessary for the administration and enforcement of sections 1 to 25. Such classifications may include, but not be limited to, pest control operators, ornamental, agricultural, or right-of-way pesticide applicators. Separate subclassifications may be specified as to ground, aerial, or manual methods to apply pesticides or to the use of pesticides to control insects, plant diseases, rodents, or weeds. Each classification shall be subject to separate testing procedures and requirements. No person shall be required to pay a fee for any classification or subclassification certificate or license if he has paid the fee for the license under which the particular classification or subclassification is placed.*

**Sec. 8. [RECORDS, REPORTS.] Subdivision 1. [LICENSED RESTRICTED USE PESTICIDE DEALER.]** *In addition to other requirements, all persons licensed to sell restricted use pesticides shall maintain records as required by the commissioner. Records shall be submitted periodically and at least once annually but in no case later than 30 days following the end of the license year. Records shall be upon forms supplied by the commissioner. All records required under this section shall be kept and made available for inspection upon request by the commissioner, his agents, or officials of an approved agency for a period of two years from the date of sale.*

*Subd. 2. [LICENSED COMMERCIAL APPLICATOR.] Each licensed commercial applicator, or his authorized agent, shall keep and maintain a record of land treated. Such a record shall include, but not be limited to, the following: date of treatment; material and dosage used; number of units treated; name and address of customer; name of applicator; and signature of operator. Invoices containing the required information may constitute the required record. A copy of his record shall be given to a consumer. Records shall be kept and be available upon request of the commissioner or his agents or officials of an approved agency for a period of two years from the date of treatment.*

*Subd. 3. [LICENSED OR REGISTERED STRUCTURAL PEST CONTROL APPLICATOR.] Each registered or licensed person engaged in structural pest control applications shall maintain records of all structural pest control applications conducted by him or by his employees. The records shall include but not be limited to: the date of treatment; name of chemical used; temperature and exposure time if fumigating; method of application; name and address of customer; and any other information as may be required by the commissioner. Records shall be retained for two years.*

*Subd. 4. [INSPECTION OF RECORDS.] The commissioner shall have access to the records required to be kept by this section at any reasonable time and to make copies of the records. Unless required for the enforcement of sections 1 to 25, such information shall be confidential and if summarized shall not identify an individual person.*

*Subd. 5. [REPORTS.] Licensed commercial applicators, licensed or registered structural pest control applicators, and licensed noncommercial applicators shall report to the commissioner the use of all restricted use pesticides at least once annually but in no case later than 30 days following the end of the licensed year. Such reports shall be upon forms provided by the commissioner.*

*Subd. 6. [EPA.] The commissioner is authorized to make reports to the EPA as it may require.*

*Sec. 9. [PRIVATE APPLICATORS.] Subdivision 1. No private applicator shall use or supervise the use of any restricted use pesticide without first complying with the certification requirements determined by the commissioner as necessary to prevent unreasonable adverse effects on the environment by the proposed restricted pesticide.*

*Subd. 2. A private applicator shall be deemed competent to use restricted use pesticides when he attests that he: has read and understands the label; will use the pesticide according to the label directions; and is competent to use the pesticide properly.*

*Subd. 3. The commissioner may through cooperation with various government agencies provide training to ensure that certified private applicators continue to understand changing technology and to ensure a continuing level of competency and ability to use pesticides properly and safely.*

**Sec. 10. [CLAIM OF DAMAGE; INSPECTION; REPORT.]**  
*Subdivision 1. A person claiming damage from the application of a pesticide may file with the commissioner a written statement containing his name and address, the name of the person for whom the application was done, the name of the applicator, the date of the application, the date of the damage, a description of the damage, a request that the commissioner inspect the damage, and such other information as the commissioner may require.*

*Subd. 2. If the statement is filed within 30 days after the pesticide was applied or the damage occurred, or, if the alleged damage is to agricultural crops, prior to the time that 25 percent of the damaged crops have been harvested, whichever is the latest, the commissioner shall inspect the damage to see whether any provisions of sections 1 to 25 have been violated.*

*Subd. 3. The commissioner shall make a report of his findings and take such further action as he deems necessary. A copy of the report shall be available to any claimant or applicator, or their agents, upon written request.*

**Sec. 11. [STORAGE, HANDLING, DISPOSAL OF PESTICIDES AND CONTAINERS.]**  
*Subdivision 1. No person shall store any pesticide or pesticide container in a manner which is likely to endanger humans, damage agricultural products, damage food and livestock, damage wildlife, damage beneficial insects or pollute the environment.*

*Subd. 2. All pesticides and their containers shall be disposed of in accordance with law except when returned to the original manufacturer or distributor, or their agents for resale, reformulation, or disposal.*

**Sec. 12. [INSPECTION, ENFORCEMENT, JUDICIAL ACTION.]**  
*Subdivision 1. [INSPECTION.] (a) The commissioner, and his agents, shall have access at reasonable times to all places where a person manufactures, formulates, distributes, uses, disposes of, stores or transports any pesticide or device and to all places affected by the use of any pesticide or device. The purposes for which entry to such places may be made shall include, but are not limited to:*

*(1) Inspect any equipment for the manufacture, formulation, distribution, disposal or application of pesticides and the premises on which such equipment is stored;*

*(2) Inspect or sample lands actually or reported to be exposed to pesticides;*

*(3) Inspect storage or disposal areas;*

*(4) Inspect or investigate complaints of injury to humans, wildlife, domesticated animals, or land;*

*(5) Sample pesticides being applied or to be applied; or*

*(6) Observe the use and application of a pesticide,*

*(b) Prior to leaving the premises inspected the commissioner shall give the owner, operator, or agent in charge, a receipt de-*

scribing any samples obtained. If an analysis is made of the samples, a copy of the results of such analysis shall be furnished to the owner, operator, or agent in charge.

*Subd. 2. [ENFORCEMENT.] (a) When the commissioner has reasonable cause to believe a pesticide or device is being distributed, stored, transported or used in violation of sections 1 to 25, or of any rules thereunder, he may issue and serve a written stop sale, use, or removal order upon the owner or custodian of any such pesticide or device. If the owner or custodian is not available for service of the order, the commissioner may attach the order to the pesticide or device and notify the owner or custodian and the registrant. The pesticide or device shall not be sold, used, or removed until the violation has been corrected and the pesticide or device has been released in writing under conditions specified by the commissioner, or until the violation has been otherwise disposed of by a court.*

*(b) If the commissioner is denied access to any land, he may apply to a court of competent jurisdiction for a search warrant authorizing access to the land. The court may, upon such application, issue the search warrant for the purpose requested upon a showing that probable cause exists that a violation of sections 1 to 25 is occurring or has occurred upon such land.*

*Subd. 3. [JUDICIAL ACTION.] (a) The commissioner is charged with the duty of enforcing sections 1 to 25 and any rules thereunder. In the event a county attorney refuses to act on behalf of the commissioner the attorney general may so act.*

*(b) The commissioner may bring an action to enjoin a violation or threatened violation of sections 1 to 25 or any rule thereunder in a court of competent jurisdiction of the county in which such violation occurs or is about to occur.*

*(c) The commissioner when he believes that the public interest will be served best by so doing may seek to remedy minor violations by a suitable notice of warning in writing.*

*(d) The commissioner, after notice and hearing, may revoke, suspend or refuse to renew a registration, license, or certificate when a person is in violation of sections 1 to 25 or rules thereunder.*

*Sec. 13. [SUBPOENAS.] The commissioner may issue subpoenas to compel the attendance of witnesses or production of books, documents and records in any hearing affecting the authority or privilege granted by a license, registration, certification, or permit issued under sections 1 to 25.*

*Sec. 14. [COOPERATIVE AGREEMENTS.] The commissioner is authorized to enter into cooperative agreements with federal and state agencies for training, certification, and enforcement programs.*

*Sec. 15. [PROTECTION OF TRADE SECRETS.] Subdivision 1. In submitting data required by sections 1 to 25, the applicant may:*

(a) Clearly mark any portions thereof which in his opinion are trade secrets, commercial, or financial information; and

(b) Submit such marked material separately from other material.

*Subd. 2. The commissioner shall not make any information public which in his judgment contains or relates to trade secrets or to commercial or financial information and obtained from a person who marked it privileged or confidential. When necessary, information relating to formulas of products may be revealed to any state or federal agency consulted and may be revealed at a public hearing or in findings of facts issued by the commissioner.*

*Subd. 3. If the commissioner proposes to release information which the applicant or registrant believes to be protected from disclosure under subdivision 2 he shall notify the applicant or registrant by certified mail. The commissioner shall not make the information available for inspection until 30 days after receipt of the notice by the applicant or registrant. During this period the applicant or registrant may institute an action in an appropriate court for a declaratory judgment as to whether such information is subject to protection under subdivision 2.*

**Sec. 16. [FINANCIAL RESPONSIBILITY.]** *Subdivision 1. Prior to issuance or renewal of a commercial applicator license or structural pest control applicator registration or license, the applicant shall furnish proof of financial responsibility by means of a performance bond or insurance covering the applicant's pest control activities in an amount determined by the commissioner. Such bond or insurance shall cover a period of time at least equal to the term of the applicant's license or registration. The commissioner shall immediately suspend the license of anyone failing to maintain the required bond or insurance. The performance bond or insurance policy shall contain a provision requiring the insurance or bonding company to notify the commissioner ten days prior to the effective date of cancellation, termination or any other change of the bond or insurance. In the event of any recovery against the bond or insurance, additional coverage shall be secured so as to maintain financial responsibility equal to the original amount required.*

*Subd. 2. An employee of a registered or licensed person need not maintain an insurance policy or bond during the time when his employer is maintaining the required insurance or bond.*

*Subd. 3. Applications for reinstatement of a registration or license suspended under the provisions of this section shall be accompanied by proof of satisfaction of judgments previously rendered.*

**Sec. 17. [INCIDENTS.]** *The commissioner is authorized to apply appropriate and efficient procedures to contain and control pesticides involved in an emergency. Persons involved in or responsible for such an incident shall report the incident to the commissioner immediately on discovering the incident. The department of agriculture shall be the lead government agency for decisions involving the incident.*

Sec. 18. [AGENT FOR SERVICE OF PURPOSE.] *All non-resident commercial and structural pest control applicator licensees licensed as individuals shall appoint the commissioner as the agent upon whom all legal process may be served and service upon the commissioner shall be deemed to be service on the licensee.*

Sec. 19. [DELEGATION OF DUTIES.] *The functions vested in the commissioner by sections 1 to 25 may be delegated by him to such employees or agents of the department as he may from time to time designate.*

Sec. 20. [RECIPROCAL AGREEMENT.] *The commissioner may waive all or part of the examination requirements provided for in sections 1 to 25 on a reciprocal basis with any other jurisdiction which has substantially the same requirements. Licenses or certificates issued pursuant to this section may be suspended or revoked upon suspension or revocation of the license or certificate of another jurisdiction supporting the issuance of a Minnesota license or certificate and in the same manner as other licenses and certificates.*

Sec. 21. [DISPOSITION OF FUNDS.] *All moneys received by the commissioner under the provisions of sections 1 to 25 shall be deposited in the state treasury to the credit of the general fund.*

Sec. 22. [UNSATISFIED JUDGMENTS.] *No applicant for commercial or structural pest control applicator license nor any commercial or structural pest control applicator licensee shall permit any final judgment against him for damages arising out of his carrying on pesticide application operations for hire to remain unsatisfied for a period of more than 30 days. The commissioner shall suspend the registration or license of any person for failure to satisfy within 30 days a final judgment resulting from pest control activities.*

Sec. 23. [ADOPTION OF RULES.] *Subdivision 1. The commissioner is authorized to adopt rules necessary for the enforcement of sections 1 to 25 including, but not limited to, the following:*

(a) *The declaration of any form of plant or animal life which is injurious to health or the environment as a pest, other than man and other than bacteria viruses and other micro-organisms on or in living man or other living animals.*

(b) *The collection, examination and reporting of samples of pesticides.*

(c) *The safe handling, transportation, storage, display, distribution, and disposal of pesticides and their containers.*

(d) *The labeling requirements of all pesticides required to be registered under sections 3 and 4.*

(e) *The prescription of methods to be used in the application of pesticides, including the designation of a pesticide as a restricted use pesticide where the commissioner finds that it is necessary to protect the environment and to carry out the purpose and intent of sections 1 to 25.*

(f) *The requirement that any pesticides registered be colored*

or discolored if it is determined that such requirement is feasible and is necessary for the protection of the environment.

(g) The establishment of standards for packages and wrappings of pesticides registered for special local needs.

(h) The determination of state restricted use pesticides for the state or for designated areas within the state for the purpose of uniformity and in order to enter into cooperative agreements.

(i) The amount of performance bond or liability insurance required pursuant to section 16.

Subd. 2. Rules adopted pursuant to sections 1 to 25 shall not permit any pesticide use which is prohibited by FIFRA and regulations or orders issued thereunder.

Subd. 3. Rules adopted pursuant to sections 1 to 25 and relating to certified applicators of restricted use pesticides, special local needs registrations, and experimental use permits shall not be inconsistent with the requirements of FIFRA and regulations promulgated thereunder.

Sec. 24. [PRIOR LIABILITY.] Sections 1 to 25 shall not terminate or in any way modify any civil or criminal liability for an act of commission or omission occurring prior to January 1, 1977.

Sec. 25. [PENALTIES.] Subdivision 1. Any person violating sections 1 to 25 or rules thereunder is guilty of a misdemeanor for the first violation and a gross misdemeanor for any subsequent violation. In any instance where a person was issued a warning in writing by the commissioner pursuant to a provision of sections 1 to 25, such person shall upon conviction for violating such provision, be guilty of a gross misdemeanor. Any offense committed more than two years after a written warning is issued by the commissioner or a previous conviction shall be construed as a first offense and a misdemeanor.

Subd. 2. If there was no probable cause for an administrative action, including the issuance of a stop sale, use, or removal order, a court may allow recovery for damages caused by the administrative action.

Sec. 26. Minnesota Statutes 1974, Section 21.47, Subdivision 8, is amended to read:

Subd. 8. [PROHIBITED WEED SEEDS.] "Prohibited weed seeds" are those weed seeds which are prohibited from being present in any agricultural seed. They are the seeds of perennial weeds such as not only reproduce by seed, but also spread by underground reproductive parts such as roots and rootstocks, and above ground reproductive parts such as runners and stolons. The prohibited weed seeds are seeds of Canada thistle (*Cirsium arvense* Scop.), field bindweed (*Convolvulus arvensis* L.), leafy spurge (*Euphorbia esula* L.), perennial pepper grass (*Lepidium draba* L.), perennial sow thistle (*Sonchus arvensis* L.), and Russian knapweed (*Centaurea repens* L.) and quack grass (*Agropyron repens* L.), which are highly destructive and difficult to control in this state by ordinary cultural practices.

Sec. 27. Minnesota Statutes 1974, Section 21.47, Subdivision 9, is amended to read:

Subd. 9. [RESTRICTED WEED SEEDS.] "Restricted weed seeds" are those weed seeds which, if present in agricultural seed, shall be named on the label together with the number per ounce or pound of seed specified and which shall not exceed the legal limit. They are seeds of such weeds as are objectionable in fields, lawns and gardens of this state, and can be controlled by good cultural practice and use of herbicides. Restricted weed seeds are seeds of buckhorn plantain (*Plantago lanceolata* L.), dodder (*Cuscuta* spp.), Frenchweed (*Thlaspi arvense* L.), hoary alyssum (*Bertera incana* DC.), horse nettle, (*Solanum carolinense* L.), quack grass (*Agropyron repens* L.), and wild mustard (*Brassica arvensis* L.).

Sec. 28. Minnesota Statutes 1974, Section 21.49, Subdivision 1, is amended to read:

21.49 [UNLAWFUL ACTS.] Subdivision 1. [AGRICULTURAL SEED, SALE.] It is unlawful for any person to sell agricultural or tree and shrub seed within this state if

(a) The test to determine the percentage of germination required by section 21.48 shall not have been completed within a nine-month period, immediately prior to such sale, exclusive of the calendar month in which the test was completed;

(b) It is not labeled in accordance with the provisions of sections 21.47 to 21.58, or contains a false or misleading label;

(c) False or misleading advertisement has been used in respect to its sale;

(d) It contains prohibited noxious-weed seeds;

(e) It contains restricted noxious-weed seeds in excess of two seeds per ounce, or 25 seeds per pound in those agricultural seeds as set out in section 21.48, subdivision 3, clause (5):

(f) It contains more than one percent by weight of all weed seeds;

(g) It is represented to be certified seed unless it has been produced, processed and labeled in compliance with the rules and regulations of an official or officially recognized seed certification agency ;

(h) *The sale violates the provisions of the Plant Variety Protection Act (U.S. Public Law 91-577; December 24, 1970) and rules and regulations issued pursuant thereto.*

Sec. 29. [REPEALER.] *Minnesota Statutes 1974, Sections 18.031; 18.032, Subdivisions 1, 2, 3, 4, 5, 7, and 8; 18.0321; 18.0322; 18.0323; 18.0324; 18.033; 18.034; 18.035; 18.036; 18A.01; 18A.02, Subdivisions 1, 2, 4, and 5; 18A.03; 18A.04; 18A.05; 18A.06; 18A.07; 18A.08; 18A.09; 18A.10; 18A.11; 24.069; 24.071; 24.072, Subdivisions 1, 3, and 5; 24.0721; 24.073; 24.074; 24.075; 24.076; 24.077; and Minnesota Statutes, 1975 Supplement, Sections 18.032,*

*Subdivision 6; 18A.02, Subdivision 3; and 24.072, Subdivisions 2 and 4, are repealed.*

Sec. 30. [EFFECTIVE DATE.] *Section 5; section 6, subdivision 4; and section 9 take effect January 1, 1977.*"

Further, amend the title as follows:

Page 1, line 2, delete "requiring the regulation"

Page 1, delete lines 3 to 9 and insert "regulating pesticides; providing a penalty; amending Minnesota Statutes 1974, Sections 21.47, Subdivisions 8 and 9; and 21.49, Subdivision 1; repealing Minnesota Statutes 1974, Sections 18.031; 18.032, Subdivisions 1 to 5, 7, and 8; 18.0321 to 18.036; 18A.01; 18A.02, Subdivisions 1, 2, 4, and 5; 18A.03 to 18A.11; 24.069; 24.071; 24.072, Subdivisions 1, 3, and 5; 24.0721 to 24.077; Minnesota Statutes, 1975 Supplement, Sections 18.032, Subdivision 6; 18A.02, Subdivision 3; and 24.072, Subdivisions 2 and 4."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1866: A bill for an act relating to Blue Earth county; welfare board; authorizing the welfare board to maintain certain contingency funds.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "disbursement" and insert "appropriations to and disbursements"

Page 1, line 16, strike "under the control of" and insert "administered by"

Page 1, line 22, strike "initial"

Page 2, strike lines 1 through 3

Page 2, line 4, strike "enlarged" and insert "determined"

Page 2, line 4, after "board" insert "; provided that the amount in any one fund shall not exceed ten percent of the total amount expended from that fund in the preceding fiscal year"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1740: A bill for an act relating to counties; authorizing a county board to establish a personnel department; providing for county personnel administration on an integrated, merit basis.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 16 through 23, and insert:

“Subd. 2. “Appointing authority” means the official, employee, board, or commission, or the person or group of persons empowered by statute, ordinance or resolution to make an appointment to positions as county employees within the scope of sections 1 to 14.”

Page 2, strike lines 1 through 3

Page 2, line 4, strike “4” and insert “3”

Page 2, line 6, strike “5” and insert “4”

Page 2, after line 8, insert:

“Subd. 5. “Board of appeals” means the personnel board of appeals established pursuant to section 10.”

Page 2, line 9, before “The” insert “Subdivision 1.”

Page 2, line 12, strike “final”

Page 2, line 12, after the comma, insert “the county welfare board, the county human services board,”

Page 2, line 15, strike “following positions:” and insert “positions excluded under subdivisions 2 and 3.”

Page 2, after line 15, insert:

“Subd. 2. The following positions are excluded from the jurisdiction of the county personnel department:”

Page 2, line 18, strike “final”

Page 2, strike lines 23 through 26

Page 2, line 27, strike “h” and insert “e”

Page 2, line 29, strike “i” and insert “f”

Page 2, line 30, strike the semicolon and insert a period.

Page 2, line 31, strike “(j)” and insert “Subd. 3.”

Page 2, line 31, strike “all” and insert “the following”

Page 2, line 31, after “positions” insert “may be excluded from the jurisdiction of the county personnel department:”

Page 2, line 32, before “subject” insert:

“(a) Any or all positions”

Page 3, line 1, after “Sections” insert “12.22, Subdivision 3, 387.31 to 387.45,”

Page 3, line 1, strike the period and insert a semicolon

Page 3, after line 1, insert:

“(b) Positions designated as temporary or seasonal;

(c) Positions held by special deputies and volunteers serving without pay;

(d) Positions held by students in training."

Page 3, after line 22, insert

"(b) Creation and maintenance of lists of eligibles. No name shall remain on an eligible list for more than two years.

(c) Certification of names to the appointing authority from the eligible list for appointment, promotion, or reemployment."

Page 3, line 23, strike "b" and insert "d"

Page 3, line 26, strike "c" and insert "e"

Page 3, line 31, strike "d" and insert "f"

Page 4, line 3, strike "e" and insert "g"

Page 4, line 3, after "for" insert "suspension or termination or other disciplinary action, including procedures for"

Page 4, line 5, after "termination" insert "or other disciplinary action"

Page 5, line 2, strike "such" and insert "the"

Page 5, line 4, strike "thus"

Page 5, line 9, strike "such" and insert "the"

Page 5, line 13, strike "In any county which has adopted a resolution"

Page 5, strike lines 14 and 15

Page 5, line 16, before "county" insert "Unless a"

Page 5, line 16, strike "include the" and insert "exclude any or all"

Page 5, line 18, after "Sections" insert "12.22, Subdivision 3, 387.31 to 387.45,"

Page 5, line 18, strike "within" and insert "from"

Page 5, line 19, strike "then"

Page 5, line 20, after "Sections" insert "12.22, Subdivision 3, 387.31 to 387.45,"

Page 5, line 21, after "144.071" insert "and any rules and regulations promulgated pursuant to those sections"

Page 5, line 22, strike "may be" and insert "are"

Page 5, line 22, after the period, insert "Nothing in Minnesota Statutes, Section 387.43, shall be construed to prohibit the inclusion of sheriff's department personnel in a personnel system established pursuant to sections 1 to 14."

Page 5, line 26, strike "197.45" and insert "197.455"

Page 6, line 1, strike "final"

Page 6, line 8, strike "final"

Page 6, line 11, after "the" insert "county as"

Page 6, line 20, strike "public" and insert "county"

Page 6, line 21, strike "public" and insert "county"

Page 6, line 21, strike "any" and insert "while employed by the county"

Page 6, line 22, strike "public employment, or position in a political party"

Page 6, line 30, strike "them" and insert "it"

Page 7, line 17, after "act" insert "or the rules promulgated thereunder"

Page 7, line 32, strike "any such" and insert "the"

Page 8, after line 1, insert

"Sec. 12. [JUDICIAL REVIEW.] Subdivision 1. [NOTICE.] The employee or the final appointing authority may appeal to the district court from an order of the board of appeals concerning the employee's termination or suspension without pay for more than 30 days by serving written notice of the appeal upon the board of appeals within ten days after he has received written notice of the board's order.

Subd. 2. [CERTIFICATION OF RECORD.] Within five days after service of the notice the board shall certify the record of the proceedings, including all documents, testimony, and minutes to the clerk of the district court. The clerk shall then place the cause on the calendar for determination at the next general term of the court. The question to be determined by the court shall be: "Was the order of the personnel board of appeals reasonably supported by the evidence?"

Subd. 3. [TO SUPREME COURT.] The employee or the final appointing authority may appeal from the district court to the supreme court in the same manner as provided for in other court cases.

Sec. 13. A personnel administration system established pursuant to sections 1 to 14 may be abolished at any time by resolution of the county board adopted by a majority of all its members. Upon adoption of the resolution, the personnel department shall cease to exist and the status of all departments, commissions, and employees shall be the same as if no personnel administration system had been established."

Renumber the sections in sequence.

Page 8, after line 4, insert:

"Sec. 15. Nothing in sections 1 to 14 shall be construed to permit or encourage any action or conduct prohibited by the Minnesota human rights act or any other state or federal law relating to equal employment opportunities, and the provisions of these acts shall continue to apply to county employment generally, including those positions excluded from the jurisdiction of the county personnel administration system.

Sec. 16. [EFFECTIVE DATE.] This act is effective on the day following final enactment."

Amend the title as follows:

Page 1, line 2, strike "a"

Page 1, line 2, strike "board" and insert "boards"

Page 1, line 3, strike "a"

Page 1, line 3, strike "department" and insert "departments"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred

H. F. No. 1527: A bill for an act relating to motor vehicles; providing for licensing and taxation; providing penalties; amending Minnesota Statutes, 1973 Supplement, Section 168.013, Subdivisions 1c and 1e, and 1g, as amended; and Minnesota Statutes 1974, Sections 168.012, Subdivision 7; 168.09, Subdivision 3; and 168.31, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Strike the amendment to H. F. No. 1527 made by the Committee on Transportation and General Legislation, adopted by the Senate May 14, 1975.

Amend H. F. No. 1527 as follows:

Page 7, line 10, strike "100" and insert "30"

Page 7, line 11, before the period insert "but in no event less than \$5"

Page 7, line 13, after "for" insert "selfpropelled"

Page 7, line 17, after "for" insert "selfpropelled"

Page 7, line 27, after "vehicle" insert "registered under the provisions of section 168.187"

Page 8, line 9, strike "1976" and insert "1978"

Page 8, line 12, strike "1977" and insert "1979"

Page 8, strike line 32 and insert:

*"Sec. 7. Notwithstanding any law to the contrary, the owner of record as of July 1, 1976, of a towed recreational vehicle of 1500 pounds or less registered for the calendar year 1976 or any part of it shall be entitled to a refund of any portion of the tax paid for 1976 that is in excess of \$5. The commissioner of public safety shall pay these refunds in the manner provided by section 168.16 as soon as practicable after July 1, 1976.*

*Sec. 8. The commissioner of public safety shall study other alternative methods of registering motor vehicles except vehicles registered under section 168.017 in order to minimize the difficulties of administration and enforcement in the current registration law. The commissioner shall submit the results of this study and a comprehensive*

*proposal for a new registration system to the legislature at the beginning of the 1977 session.*

*Sec. 9. Section 4 of this act is effective May 1, 1976. Sections 7 and 8 of this act are effective the day following final enactment. The remaining sections of this act are effective November 15, 1976."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

H. F. No. 1104: A bill for an act relating to highway traffic regulations; equipment on certain vehicles; requiring tires on certain vehicles to meet requirements of the commissioner of public safety; prohibiting the sale, other than to a dealer, of certain vehicles with unsafe tires; and prescribing penalties.

Reports the same back with the recommendation that the bill be amended as follows:

Strike the Rule 49 amendment adopted by the Senate on April 28, 1975.

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

H. F. No. 574: A bill for an act relating to pollution control; amending Minnesota Statutes 1974, Sections 115.03, Subdivision 2; 115.05, by adding a subdivision; 115.071, Subdivision 2; 116.07, by adding a subdivision; 116.16, by adding a subdivision; 648.39, Subdivision 1; repealing Minnesota Statutes 1974, Section 115.05, Subdivisions 1, 3, 4, 5, 6, 7, 8, 9, and 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 6, reinstate the stricken language and strike "chapters"

Page 3, line 7, reinstate the stricken language and strike "or"

Page 3, line 11, reinstate the stricken language

Page 3, line 12, reinstate the stricken language and strike "chapters"

Page 3, line 13, reinstate the stricken language and strike "or"

Page 4, strike lines 2 through 10 and insert

*"Subd. 10. [COSTS.] To the extent the agency administers or engages in activities necessary for the administration of the federal construction grants program established by the federal water pollution control act as amended, 33 U.S.C. 1251 et seq., the agency may assess the costs of such administrative activities, not to exceed 2 percent of the federal grant, against the federal construction grant funds allotted to the state."*

Page 4, after line 10, insert:

"Sec. 6. Minnesota Statutes 1974, Section 168B.10, is amended by adding a subdivision to read:

*"Subd. 5. [REIMBURSEMENT TO INDIANS.] The agency may reimburse the government entities of Indian reservations for the costs associated with the inventory, collection, storage and transportation of abandoned motor vehicles and abandoned scrap metal which are voluntarily surrendered by their owners or which are otherwise lawfully acquired by the Indian reservation. Such reimbursement may be made for only those costs, and under the same conditions, for which a unit of government may be reimbursed under subdivisions 1 and 3 of this section."*

ReNUMBER the remaining sections

Further amend the title as follows:

Line 2, after "control;" insert "relating to the power to issue subpoenas; authorizing the agency to disseminate information and receive copies of Minnesota Statutes; repealing certain appeal procedures; authorizing the agency to assess certain costs in administering said grant; authorizing reimbursement to Indians for costs pertaining to the inventory, collection, storage and transportation of abandoned motor vehicles and scrap metal;"

Line 6, after the semicolon, insert "168B.10, by adding a subdivision;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was re-referred.

H. F. No. 1057: A bill for an act relating to education; school districts; Independent School District No. 518; powers and duties; requiring a public hearing and providing for an election before closing a schoolhouse; amending Minnesota Statutes 1974, Section 123.36, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, after the period insert "*Published*"

Page 1, line 14, strike "*published*" and insert "*given*"

Page 1, line 18, strike "*All*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 951: A bill for an act relating to education; state colleges; authorizing the state college board to enter into reci-

procuity agreements with foreign institutions; amending Minnesota Statutes 1974, Section 136.111, Subdivisions 1 and 2.

Reports the same back with the recommendation that the bill be amended as follows:

Strike the Rule 49 amendment adopted by the Senate on May 10, 1975

Amend H. F. No. 951 as follows:

Page 1, line 12, strike "colleges" and insert "*universities*"

Page 1, line 22, strike "college" and insert "*university*"

Further, amend the title as follows:

Page 1, line 2, strike "colleges" and insert "universities"

Page 1, line 3, strike "college" and insert "university"

Page 1, line 4, strike "foreign" and insert "educational"

Page 1, line 4, after "institutions" insert "in other states and foreign countries"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for January 29, 1976:

#### STATE BOARD FOR COMMUNITY COLLEGES

Dr. Joseph Norquist

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Hughes moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which were referred the following appointments as reported in the Journal for January 29, 1976:

#### STATE BOARD OF EDUCATION

Ruth Myers

Henry Bromelkamp

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Hughes moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was

referred the following appointment as reported in the Journal for January 27, 1976:

**STATE BOARD OF EDUCATION**

Erling O. Johnson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Hughes moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred the following appointment as reported in the Journal for January 27, 1976:

**COMMISSIONER OF THE WORKMEN'S COMPENSATION  
COMMISSION**

James Pomush

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Hansen, Baldy moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which were referred the following appointments as reported in the Journal for January 29, 1976:

**WORKMEN'S COMPENSATION COMMISSIONER**

Robert B. McCarthy

**CABLE COMMUNICATIONS BOARD**

Jane Belau

Eugene Abbott

Virginia Greenman

Carl Williams

**COMMISSIONER OF THE DIVISION OF SECURITIES,  
DEPARTMENT OF COMMERCE**

John Larson

**OCCUPATIONAL SAFETY AND HEALTH REVIEW BOARD**

Kenneth Sovereign

**COMMISSIONER OF THE DEPARTMENT OF ECONOMIC  
DEVELOPMENT**

Lee Vann

**PUBLIC SERVICE COMMISSION**

Katherine Sasseville

Reports the same back with the recommendation that the appointment be confirmed.

Sen. R. H. H. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1801: A bill for an act relating to the Whitewater River Valley; authorizing a conservation pilot program in the counties of Olmsted, Wabasha, and Winona; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, strike "commission" and insert "board"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1627: A bill for an act relating to state parks; adding lands to Kilen Woods state park in Jackson county.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2034: A bill for an act relating to natural resources; authorizing the marking and designation of canoe and boating routes on the Straight River; amending Minnesota Statutes 1974, Section 85.32, Subdivision 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1784: A bill for an act relating to highways; repealing a proposed amendment to Article XIV of the state constitution; repealing Laws 1975, Chapter 203, Sections 25 and 26.

Reports the same back with the recommendation that the bill do pass. Report adopted. Mr. Keefe, S. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

H. F. No. 523: A bill for an act relating to public lands; authorizing the state and counties to exchange land; amending Minnesota Statutes 1974, Sections 373.01, Subdivision 1; 94.342, Subdivision 3; and 94.343, Subdivisions 1 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, strike all of Section 2

Renumber the sections in sequence

Amend the title as follows:

Line 5, strike "94.342, Subdivision 3;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 1061 and 1284 for proper reference, recommends the above House Files be re-referred to their respective Committees as follows:

H. F. Nos. 1061 and 1284 to the Committee on Transportation and General Legislation.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

### **SECOND READING OF SENATE BILLS**

S. F. Nos. 1653, 1901, 1813, 995, 1866, 1740, 1627 and 2034 were read the second time.

### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1880, 1527, 1104, 574, 1057, 951 and 523 were read the second time.

### **MOTIONS AND RESOLUTIONS**

Mr. Bernhagen introduced—

Senate Resolution No. 28: A senate resolution commemorating the International Peanut Butter and Milk Festival Week, pro-

claimed by His Excellency, Wendell R. Anderson, Governor of the State of Minnesota, for the week of February 8-15, 1976, to be celebrated in Litchfield, Minnesota, honoring distinguished visitors from Hartford, Alabama, Barron, Wisconsin, and Crothersville, Indiana.

Referred to the Committee on Rules and Administration.

Mr. Borden moved that the name of Mr. Arnold be added as co-author to S. F. No. 622. The motion prevailed.

Mr. Solon moved that the name of Mrs. Brataas be stricken as co-author to S. F. No. 1637. The motion prevailed.

Mr. Chmielewski moved that the names of Messrs. Hanson, R. and Willet be added as co-authors to S. F. No. 1918. The motion prevailed.

Mr. Ueland moved that the name of Mr. Renneke be added as co-author to S. F. No. 2077. The motion prevailed.

Mr. Gearty moved that S. F. No. 2004 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Olson, H. D. moved that the name of Mr. Patton be added as co-author to S. F. No. 890. The motion prevailed.

Mr. Olson, H. D. moved that the name of Mr. Patton be added as co-author to S. F. No. 952. The motion prevailed.

Mr. Schrom moved that S. F. No. 1493, No. 15 on General Orders, be stricken and re-referred to the Committee on Natural Resources and Agriculture. The motion prevailed.

### THIRD READING OF SENATE BILLS

S. F. No. 53: A bill for an act relating to peace officer training courses; eligibility; amending Minnesota Statutes 1974, Section 626.851, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Josefson	Nelson	Renneke
Arnold	Doty	Keefe, S.	North	Schaaf
Ashbach	Dunn	Kirchner	Olhoft	Schmitz
Bang	Fitzsimons	Kleinbaum	Olson, A. G.	Schrom
Berg	Frederick	Knutson	Olson, H. D.	Solon
Bernhagen	Gearty	Larson	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Brataas	Hansen, Mel	Lewis	Patton	Stokowski
Brown	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Hughes	Merriam	Perpich, G.	Ueland
Coleman	Humphrey	Milton	Pillsbury	Wegener
Conzemius	Jensen	Moe	Purfeerst	Willet

So the bill passed and its title was agreed to.

S. F. No. 1805: A bill for an act relating to motor vehicle carriers; reinstating the rights of certain permit carriers upon filing proof of insurance or other security; amending Minnesota Statutes, 1975 Supplement, Section 221.141, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Ogdahl	Schmitz
Arnold	Fitzsimons	Kleinbaum	Olhoff	Schrom
Ashbach	Frederick	Knutson	Olson, A. G.	Sillers
Bang	Gearty	Kowalczyk	Olson, H. D.	Solon
Berg	Hansen, Baldy	Larson	Olson, J. L.	Spear
Bernhagen	Hansen, Mel	Laufenburger	O'Neill	Stassen
Blatz	Hanson, R.	Lewis	Patton	Stokowski
Brataas	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Brown	Humphrey	Merriam	Perpich, G.	Ueland
Chenoweth	Jensen	Milton	Pillsbury	Wegener
Coleman	Josefson	Moe	Purfeerst	Willet
Davies	Keefe, J.	Nelson	Renneke	
Doty	Keefe, S.	North	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 1736: A bill for an act relating to counties; authorizing the establishment of subordinate service districts in order to provide and finance governmental services.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Ogdahl	Schmitz
Arnold	Fitzsimons	Kleinbaum	Olhoff	Schrom
Ashbach	Frederick	Knutson	Olson, A. G.	Sillers
Bang	Gearty	Kowalczyk	Olson, H. D.	Solon
Berg	Hansen, Baldy	Larson	Olson, J. L.	Spear
Bernhagen	Hansen, Mel	Laufenburger	O'Neill	Stassen
Blatz	Hanson, R.	Lewis	Patton	Stokowski
Brataas	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Brown	Humphrey	Merriam	Perpich, G.	Ueland
Chenoweth	Jensen	Milton	Pillsbury	Wegener
Conzemius	Josefson	Moe	Purfeerst	Willet
Davies	Keefe, J.	Nelson	Renneke	
Doty	Keefe, S.	North	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 687: A bill for an act relating to credit unions; allowing credit union members to vote by mail for officers and amendments; allowing credit unions certain powers with re-

spect to dividends; amending Minnesota Statutes 1974, Sections 52.02; 52.07 and 52.18.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	North	Schaaf
Arnold	Dunn	Kirchner	Ogdahl	Schmitz
Ashbach	Fitzsimons	Kleinbaum	Olhoff	Schrom
Bang	Frederick	Knutson	Olson, A. G.	Sillers
Berg	Gearty	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Spear
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stassen
Brataas	Hanson, R.	Lewis	Patton	Stokowski
Brown	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Humphrey	Merriam	Perpich, G.	Ueland
Coleman	Jensen	Milton	Pillsbury	Wegener
Conzemius	Josefson	Moe	Purfeerst	Willet
Davies	Keefe, J.	Nelson	Renneke	

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 1145: A bill for an act relating to landlords and tenants; retaliatory evictions; amending Minnesota Statutes 1974, Section 566.03.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	North	Schaaf
Arnold	Dunn	Kirchner	Ogdahl	Schmitz
Ashbach	Fitzsimons	Kleinbaum	Olhoff	Schrom
Bang	Frederick	Knutson	Olson, A. G.	Sillers
Berg	Gearty	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Spear
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stassen
Brataas	Hanson, R.	Lewis	Patton	Stokowski
Brown	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Humphrey	Merriam	Perpich, G.	Ueland
Coleman	Jensen	Milton	Pillsbury	Wegener
Conzemius	Josefson	Moe	Purfeerst	Willet
Davies	Keefe, J.	Nelson	Renneke	

So the bill passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions for the purpose of introducing two resolutions.

## MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman introduced—

Senate Resolution No. 29: A Senate resolution relating to expenses of Senate interns.

BE IT RESOLVED, by the Senate:

That for the 1976 session of the 69th Legislature, each member of the Senate is entitled to be reimbursed for the cost of meals and transportation furnished by him to any volunteer interns assisting with his work, up to a maximum of \$10 during each week the Legislature is in session.

Requests for reimbursement shall be submitted to the Secretary of the Senate monthly on forms provided for this purpose and shall include a certification by the member that the amounts for which reimbursement is sought have been paid to his interns.

The Secretary of the Senate shall prepare and issue warrants for payment of intern expenses from the Senate Legislative Expense Fund.

This resolution is effective retroactively to January 27, 1976.

Mr. Coleman moved the adoption of the foregoing resolution.

The question being taken on the adoption of the resolution,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	North	Schaaf
Arnold	Dunn	Kirchner	Ogdahl	Schmitz
Ashbach	Fitzsimons	Kleinbaum	Olhoft	Schrom
Bang	Frederick	Knutson	Olson, A. G.	Sillers
Berg	Gearty	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Spear
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stassen
Brataas	Hanson, R.	Lewis	Patton	Stokowski
Brown	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Humphrey	Merriam	Perpich, G.	Ueland
Coleman	Jensen	Milton	Pillsbury	Wegener
Conzemius	Josefson	Moe	Purfeerst	Willet
Davies	Keefe, J.	Nelson	Renneke	

The motion prevailed. So the resolution was adopted.

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named persons be and are hereby appointed to the position hereinafter stated and at the salary heretofore fixed.

James McMullen, Clerk I, effective January 30, 1976

Janice Noruk transferred from Stenographer I to Stenographer II, effective February 7, 1976.

Rev. Dave S. Schneider, Chaplain, effective January 29, 1976

Rev. Phil Crum, Chaplain, effective February 9, 1976

Rev. William C. Hunt, Chaplain, effective February 16, 1976

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

#### CALENDAR OF ORDINARY MATTERS

S. F. No. 1852: A bill for an act relating to the city of Fulda; validating election proceedings and authorizing the issuance of bonds of the city approved by the electors.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Ogdahl	Schmitz
Arnold	Fitzsimons	Kleinbaum	Olhoff	Schrom
Ashbach	Frederick	Knutson	Olson, A. G.	Sillers
Bang	Gearty	Kowalczyk	Olson, H. D.	Solon
Berg	Hansen, Baldy	Larson	Olson, J. L.	Spear
Bernhagen	Hansen, Mel	Laufenburger	O'Neill	Stassen
Blatz	Hanson, R.	Lewis	Patton	Stokowski
Brataas	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Brown	Humphrey	Merriam	Perpich, G.	Ueland
Coleman	Jensen	Milton	Pillsbury	Wegener
Conzemius	Josefson	Moe	Purfeerst	Willet
Davies	Keefe, J.	Nelson	Renneke	
Doty	Keefe, S.	North	Schaaf	

So the bill passed and its title was agreed to.

#### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Hughes reported that the committee had considered the following:

S. F. Nos. 1636, 1794, 1905, 1839, 1825 and 1816 which the committee recommends to pass.

H. F. No. 719, which the committee recommends to pass with the following amendment offered by Mr. Conzemius:

Page 1, line 10, after "acres" insert "*except in the case of agricultural land as used in section 273.13, subdivision 6, where the lien shall be limited to 40 acres*"

S. F. No. 1849, which the committee recommends be re-referred to the Committee on Rules and Administration.

S. F. No. 998, which the committee reports progress, subject to the following motion:

Mr. Ogdahl moved to amend S. F. No. 998 as follows:

Page 2, line 24, strike "Effective July 1, 1972,"

Page 3, line 21, after the period insert "*No municipality may adopt or enforce a building code or building maintenance code in respect to agricultural buildings.*"

Pages 5 and 6, strike all of section 5

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 8 and 9, strike "limiting surcharge computation to valuation;"

Page 1, line 11, strike "; 16.866, Subdivision 1"

The motion prevailed. So the amendment was adopted.

The question being taken on the committee recommendation to pass S. F. No. 998, as amended,

And the roll being called, there were yeas 23 and nays 35, as follows:

Those who voted in the affirmative were:

Chenoweth	Hansen, Mel	Kowalczyk	Ogdahl	Spear
Coleman	Humphrey	Larson	O'Neill	Stassen
Davies	Keefe, J.	McCutcheon	Purfeerst	Stumpf
Doty	Keefe, S.	Merriam	Schaaf	
Gearty	Kleinbaum	North	Solon	

Those who voted in the negative were:

Anderson	Brataas	Hanson, R.	Nelson	Renneke
Arnold	Chmielewski	Jensen	Olhoft	Schmitz
Ashbach	Conzemius	Josefson	Olson, A. G.	Schrom
Bang	Dunn	Kirchner	Olson, H. D.	Sillers
Berg	Fitzsimons	Knutson	Olson, J. L.	Ueland
Bernhagen	Frederick	Laufenburger	Patton	Wegener
Blatz	Hansen, Baldy	Moe	Perpich, A. J.	Willet

The motion did not prevail.

The committee then progressed S. F. No. 998, as amended.

S. F. No. 1841, which the committee recommends to pass with the following amendments offered by Messrs. North, Frederick and Nelson:

Mr. North moved to amend S. F. No. 1841 as follows:

Page 2, line 13, after "region," insert "and, only if the member has voluntarily supplied the information, the"

Page 2, line 14, strike ", if known" and insert "of the members"

Mr. Frederick moved to amend S. F. No. 1841 as follows:

Page 4, line 7, after "appointment" insert "*and, if required, advice and consent by the Senate,*"

Mr. Nelson moved to amend S. F. No. 1841 as follows:

Page 2, line 13, after "political party preference" insert "or lack thereof"

Page 3, line 24, after "political party preference" insert "or lack thereof"

Page 5, line 14, after "party preference" insert "or lack thereof"

S. F. No. 1273, which the committee recommends to pass with the following amendment offered by Mr. Hansen, Mel:

Page 2, line 8, after "shall" strike "*do so on a basis which provides*" and insert "*retain discretion as to who it may allow to use its premises provided it gives*"

Page 2, line 11, after the period insert "*A corporation may change its policy on permitting the use of its premises for political purposes at any time.*"

Mr. Berg moved to amend S. F. No. 1273 as follows:

Page 2, after line 22, insert:

"Sec. 3. Minnesota Statutes 1974, Section 10A.27, Subdivision 1, is amended to read:

10A.27 [ADDITIONAL LIMITATIONS.] Subdivision 1. No political committee, political fund, or individual, except a political party or the principal campaign committee of a candidate shall make expenditures on behalf of or in opposition to the opponent of a candidate, or transfer funds to the principal campaign committee of a candidate, in an amount in excess of ~~ten~~: *in the case of candidates for governor and lieutenant governor running jointly, attorney general, secretary of state, state auditor, or state treasurer, \$200; in the case of a candidate for the senate or house of representatives, one percent of the amount that may be spent by or on behalf of that candidate as set forth in section 10A.25.*

Sec. 4. Minnesota Statutes 1974, Section 10A.27, is amended by adding a subdivision to read:

*Subd. 1a. Notwithstanding the provisions of subdivision 1, a candidate may expend for the purpose of his own campaign, or transfer to his principal campaign committee, an amount not to exceed ten percent of the amount that may be spent by or on behalf of that candidate as set forth in section 10A.25."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "providing limitations on political contributions;"

Page 1, line 8, strike "Section" and insert "Sections"

Page 1, line 9, after the semicolon, insert "10A.27, Subdivision 1, and by adding a subdivision;"

The question being taken on the adoption of the Berg amendment,

And the roll being called, there were yeas 23 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Hanson, R.	Knutson	Renneke
Bang	Dunn	Jensen	Nelson	Sillers
Berg	Fitzsimons	Josefson	Olson, J. L.	Ueland
Bernhagen	Frederick	Keefe, J.	O'Neill	
Blatz	Hansen, Mel	Kirchner	Patton	

Those who voted in the negative were:

Anderson	Doty	Lewis	Perpich, G.	Stassen
Borden	Hansen, Baldy	Merriam	Purfeerst	Stokowski
Chenoweth	Hughes	Moe	Schaaf	Stumpf
Chmielewski	Humphrey	North	Schmitz	Wegener
Coleman	Keefe, S.	Olhoff	Schrom	Willet
Conzemius	Kleinbaum	Olson, A. G.	Solon	
Davies	Larson	Perpich, A. J.	Spear	

The motion did not prevail. So the Berg amendment was not adopted.

And then, on motion of Mr. Hughes, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

#### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 1519, pursuant to the request of the House:

Messrs. Chenoweth, Stumpf and North.

H. F. No. 1199, pursuant to the request of the Senate:

Messrs. Moe; Tennesen; Perpich, G.; Knutson and Kirchner.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 1:00 o'clock p.m., Friday, February 13, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTY-NINTH DAY

St. Paul, Minnesota, Friday, February 13, 1976

The Senate met at 1:00 o'clock p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Phil Crum.

The roll being called, the following Senators answered to their names:

Ashbach	Frederick	Knutson	Olson, A. G.	Solon
Bang	Gearty	Kowalczyk	Olson, H. D.	Spear
Berg	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Bernhagen	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Blatz	Hanson, R.	Lewis	Patton	Stumpf
Brown	Hughes	McCutcheon	Perpich, G.	Ueland
Chenoweth	Humphrey	Merriam	Purfeerst	Wegener
Chmielewski	Josefson	Moe	Renneke	Willet
Coleman	Keefe, J.	Nelson	Schaaf	
Conzemius	Keefe, S.	North	Schmitz	
Davies	Kirchner	Ogdahl	Schrom	
Dunn	Kleinbaum	Olhoft	Sillers	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Anderson; Arnold; Borden; Doty; Fitzsimons; Jensen; Perpich, A. J.; Pillsbury; Tennesen and Mrs. Brataas were excused from the Session of today. Mr. Ogdahl was excused from the Session of today until 1:30 o'clock p.m. Mr. Keefe, J. was excused from the Session of today at 1:30 o'clock p.m. Mr. Patton was excused from the Session of today at 2:00 o'clock p.m.

## EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 12, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
22		8	February 11	February 11
	645	9	February 11	February 11

Sincerely,  
Joan Anderson Growe  
Secretary of State

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Stokowski, Ogdahl and Chenoweth introduced—

S. F. No. 2101: A bill for an act relating to certain retirement associations; provided that certain data collected by such associations is private data; amending Minnesota Statutes 1974, Chapter 356, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Stokowski, Ogdahl and Chenoweth introduced—

S. F. No. 2102: A bill for an act relating to retirement; election of trustees to the public employees retirement association board of trustees; amending Minnesota Statutes 1974, Section 353.03, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski, Ogdahl and Chenoweth introduced—

S. F. No. 2103: A bill for an act relating to the public employees retirement association; authorizing the acquisition of real estate and the construction of necessary building and structures thereon; and appropriating moneys therefor.

Referred to the Committee on Governmental Operations.

Mr. Laufenburger introduced—

S. F. No. 2104: A bill for an act relating to motor vehicle registration; providing for waiver of penalty for cars in storage; amending Minnesota Statutes 1974, Section 168.31, Subdivision 3.

Referred to the Committee on Transportation and General Legislation.

Messrs. Solon, Davies and Hanson, R. introduced—

S. F. No. 2105: A bill for an act relating to credit unions;

deposits of public funds; amending Minnesota Statutes, 1975 Supplement, Section 52.04.

Referred to the Committee on Labor and Commerce.

Messrs. Spear, Chmielewski and Stokowski introduced—

S. F. No. 2106: A bill for an act relating to retirement; service credit for teachers on parental or maternity leave; amending Minnesota Statutes 1974, Section 354.42, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Bernhagen, Schrom and Hanson, R. introduced—

S. F. No. 2107: A bill for an act relating to game and fish; firearms permissible for taking wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 9.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Frederick and Laufenburger introduced—

S. F. No. 2108: A bill for an act relating to commerce; interest rates on money; exempting agricultural credit corporations from interest rate limitations; amending Minnesota Statutes 1974, Section 334.06.

Referred to the Committee on Labor and Commerce.

Messrs. Schmitz, Stassen and Chmielewski introduced—

S. F. No. 2109: A bill for an act relating to the operation of state government; providing for a study on improving public access to state services and facilities; requiring a report.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski; Hansen, Mel; and Ogdahl introduced—

S. F. No. 2110: A bill for an act relating to retirement; including employees of the Minnesota Municipal Utilities Association in membership in the public employees retirement association; amending Minnesota Statutes 1974, Chapter 353, by adding a section.

Referred to the Committee on Governmental Operations.

Mr. Larson introduced—

S. F. No. 2111: A bill for an act relating to taxation; providing for credits and refunds of taxes paid in this state on gasoline and special fuel consumed in other states; amending Minnesota Statutes 1974, Section 296.17, Subdivisions 3 and 12.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hansen, Baldy; and Keefe, S. introduced—

S. F. No. 2112: A bill for an act relating to public employment labor relations; providing for determination of the fair share fee; providing for appeal of that determination; amending Minnesota Statutes 1974, Sections 179.63, by adding a subdivision; 179.65, Subdivision 2; 179.71, Subdivision 2; and 179.72, Subdivision 3.

Referred to the Committee on Labor and Commerce.

Messrs. Sillers and Fitzsimons introduced—

S. F. No. 2113: A bill for an act relating to taxation; providing a credit on taxes measured by net income; amending Minnesota Statutes 1974, Section 290.06, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Frederick introduced—

S. F. No. 2114: A bill for an act relating to Independent School District No. 761; school aids; providing a formula for increased aid for the district.

Referred to the Committee on Education.

Messrs. Gearty and Ogdahl introduced—

S. F. No. 2115: A bill for an act relating to the city of Minneapolis; authorizing a commercial and industrial lease and revenue bond guarantee program; providing for the issuance of limited general obligation bonds, and limited revenue bonds or obligations.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Jensen, Berg and Renneke introduced—

S. F. No. 2116: A bill for an act relating to elections; prohibiting fund raising during certain times; amending Minnesota Statutes, 1975 Supplement, Chapter 210A, by adding a section.

Referred to the Committee on Transportation and General Legislation.

Messrs. Keefe, S.; Ashbach and Coleman introduced—

S. F. No. 2117: A bill for an act relating to census data; providing for implementation of federal law permitting the state to design a plan for return of census data to the state; appropriating money; amending Minnesota Statutes 1974, Section 4.12, Subdivision 7; and Minnesota Statutes, 1975 Supplement, Section 204A.06, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Transportation and General Legislation.

Messrs. Jensen, Bernhagen and Josefson introduced—

S. F. No. 2118: A bill for an act relating to taxation; furnishing of certificates relative to rent paid for income tax credits; amending Minnesota Statutes, 1975 Supplement, Section 290A.19.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hansen, Mel; McCutcheon and Jensen introduced—

S. F. No. 2119: A bill for an act relating to crimes; abolishing the right to bail or other release under certain circumstances involving violent offenses; amending Minnesota Statutes 1974, Section 629.16.

Referred to the Committee on Judiciary.

Messrs. Doty and Solon introduced—

S. F. No. 2120: A bill for an act relating to the city of Duluth; exempting the Spirit Mountain recreation area authority from the provisions of certain laws relating to retirement and unemployment compensation; amending Laws 1973, Chapter 327, as amended, by adding a section.

Referred to the Committee on Governmental Operations.

Mr. Olhoft introduced—

S. F. No. 2121: A bill for an act relating to Otter Tail county; permitting Otter Tail county to designate a human services board.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. McCutcheon, Doty and Olhoft introduced—

S. F. No. 2122: A bill for an act relating to energy conservation; establishing an energy conservation information center; requiring the commissioner of administration to complete certain energy conservation modifications to state buildings; authorizing the commissioner of administration to promulgate rules concerning energy conservation physical improvements for public school, city, and county buildings; requiring the inspection of certain public buildings; authorizing the issuance of bonds for energy conservation improvements; appropriating money; amending Minnesota Statutes 1974, Chapters 116H, by adding sections; and 120, by adding sections; and Sections 116H.12, by adding subdivisions; and 120.78, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Josefson; Olson, H. D. and Patton introduced—

S. F. No. 2123: A bill for an act relating to railroads; providing for assistance to railroad companies in improving rail service with-

in the state; creating a railroad assistance fund; prescribing the duties of the public service commission; and appropriating money.

Referred to the Committee on Transportation and General Legislation.

Mr. Moe introduced—

S. F. No. 2124: A bill for an act relating to cities; increasing the amount of obligations that may be issued for television systems; validating prior issuances; amending Minnesota Statutes 1974, Section 465.70.

Referred to the Committee on Local Government.

Messrs. Hansen, Baldy; and Patton introduced—

S. F. No. 2125: A bill for an act relating to Freeborn county; appropriating money for lake restoration and improvements.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Keefe, S.; Mrs. Brataas and Mr. Hansen, Baldy introduced—

S. F. No. 2126: A bill for an act relating to the legislature; establishing a legislative commission on the economic status of women; appropriating money.

Referred to the Committee on Rules and Administration.

Messrs. Hansen, Baldy; Knutson and Conzemius introduced—

S. F. No. 2127: A bill for an act relating to products liability; awarding costs to defendants in frivolous cases; amending Minnesota Statutes 1974, Chapter 549, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Josefson, Anderson and Arnold introduced—

S. F. No. 2128: A bill for an act relating to education; loans to medical students; amending Minnesota Statutes, 1975 Supplement, Section 147.30.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stokowski; Hansen, Mel; and Gearty introduced—

S. F. No. 2129: A bill for an act relating to insurance; eliminating minimum benefit requirement from certain government purchased group insurance plans; changing when certain government insurance contracts be resubmitted to bidding; amending Minnesota Statutes 1974, Section 471.616, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Kirchner and Gearty introduced—

S. F. No. 2130: A bill for an act relating to state lands; authorizing conveyance of certain parcels of land in Hennepin county.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Moe, Olhofft and Wegener introduced—

S. F. No. 2131: A bill for an act relating to taxation; inheritance and gift taxes; amending Minnesota Statutes 1974, Sections 291.03; 291.05; 292.05, Subdivision 1; and 292.07, Subdivisions 3 and 5.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olson, A. G., and Hughes introduced—

S. F. No. 2132: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; providing for the revocation of a driver's license or permit by the commissioner of public safety upon receipt of chemical test that person's blood contains .10 percent or more by weight of alcohol; providing procedural safeguards; prescribing penalties; and appropriating money; amending Minnesota Statutes 1974, Chapter 169, by adding a section.

Referred to the Committee on Judiciary.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested.

S. F. No. 1647: A bill for an act relating to natural resources; transferring forest pest control jurisdiction from the commissioner of agriculture to commissioner of natural resources; expanding volunteer programs; eliminating certain restrictions on acquisition of public access; changing license fees for commercial fishing on Lake Superior; prohibiting decoys and erection of blinds on public lands; prescribing penalties for certain violations; amending Minnesota Statutes 1974, Sections 18.341, Subdivision 3; 18.391, Subdivision 1; 85.041, Subdivision 1; 97.48, Subdivision 15; 97.55, Subdivisions 1, 2, 3 and 4; 98.46, Subdivision 12; 98.47, Subdivision 9; 100.29, Subdivision 18; and 102.28, Subdivisions 2, 3 and 4; repealing Laws 1963, Chapter 70, Section 1.

Senate File No. 1647 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 12, 1976

### CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 1647 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1647: A bill for an act relating to natural resources; transferring forest pest control jurisdiction from the commissioner of agriculture to commissioner of natural resources; expanding volunteer programs; eliminating certain restrictions on acquisition of public access; changing license fees for commercial fishing on Lake Superior; prohibiting decoys and erection of blinds on public lands; prescribing penalties for certain violations; amending Minnesota Statutes 1974, Sections 18.341, Subdivision 3; 18.391, Subdivision 1; 85.041, Subdivision 1; 97.55, Subdivisions 1, 2, 3 and 4; 98.46, Subdivision 12; 98.47, Subdivision 9; 100.29, Subdivision 18; and 102.28, Subdivisions 2, 3 and 4; amending Minnesota Statutes, 1975 Supplement, Section 97.48, Subdivision 15; repealing Laws 1963, Chapter 70, Section 1.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill as amended,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Kleinbaum	Olson, A. G.	Solon
Berg	Gearty	Knutson	Olson, H. D.	Spear
Bernhagen	Hansen, Baldy	Kowalczyk	Olson, J. L.	Stassen
Blatz	Hansen, Mel	Larson	O'Neill	Stokowski
Brown	Hanson, R.	Laufenburger	Patton	Stumpf
Chenoweth	Hughes	Lewis	Perpich, G.	Ueland
Chmielewski	Humphrey	McCutcheon	Purfeerst	Wegener
Coleman	Josefson	Merriam	Renneke	Willet
Conzemius	Keefe, J.	Moe	Schaaf	
Davies	Keefe, S.	North	Schmitz	
Dunn	Kirchner	Olhoff	Schrom	

So the bill, as amended, was repassed and its title was agreed to.

### REPORTS OF COMMITTEES

Mr. Davies moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 674: A bill for an act relating to administrative procedure; requiring agency estimates of the cost of proposed rules to local public bodies; delaying the effective date of rules involving costs to local public bodies; amending Minnesota Statutes 1974, Section 15.0412, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, strike everything after the period

Page 1, strike lines 20 and 21

Page 1, line 22, strike "*in either of the two years.*"

Page 2, line 6, strike "*30th*" and insert "*20th*"

Page 2, line 12, strike "*1975*" and insert "*1976*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

S. F. No. 485: A bill for an act relating to education; vocational rehabilitation; changing the status of the present division of vocational rehabilitation to a department of rehabilitation; providing for a commissioner of rehabilitation and a board and a committee to advise the board; transferring certain powers, duties, functions, employees and appropriations; amending Minnesota Statutes 1974, Sections 121.29; 121.30, Subdivision 1; 121.31; 121.33, Subdivisions 1 and 2; 121.331; 121.712, Subdivision 1; 121.713, Subdivision 3; 121.714, Subdivisions 1, 2, and 4; repealing Minnesota Statutes 1974, Sections 121.32, and 121.714, Subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [129A.01] [DEFINITIONS.] For the purposes of this chapter, the following terms shall have the meanings given them:

(a) "Department" means the department of vocational rehabilitation;

(b) "Commissioner" means the commissioner of vocational rehabilitation;

(c) "Vocational rehabilitation services" means those services and goods so defined in the federal Rehabilitation Act of 1973 and section 3, clause (b);

(d) "Handicapped person" means a person who because of a substantial physical, mental or emotional disability or dysfunction requires special services in order to enjoy the benefits of society;

(e) "Long-term sheltered workshop" means a facility where any manufacture or handiwork is carried on and which is operated for the primary purpose of providing remunerative employment to those handicapped persons who, as a result of physical or mental disability, are unable to participate in competitive employment. A long-term sheltered workshop shall supply such

employment (1) as a step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market, or (2) during such time as employment opportunities for them in the competitive labor market do not exist;

(f) "Work activity program" means a program which utilizes manufacturing activities and other production work for the primary purpose of providing basic vocational skills development for the handicapped.

Sec. 2. [129A.02] [DEPARTMENT OF VOCATIONAL REHABILITATION.] Subdivision 1. [DEPARTMENT CREATED.] The department of vocational rehabilitation is created as the successor to the division of vocational rehabilitation.

Subd. 2. [COMMISSIONER OF VOCATIONAL REHABILITATION.] The commissioner is the chief executive officer of the department and is the successor to the powers and duties of the former assistant commissioner of vocational rehabilitation. The commissioner shall be appointed by the governor with the advice and consent of the senate for a four-year term which will coincide with the term of the governor and until his successor is appointed and qualifies. The commissioner may be removed by the governor at the governor's pleasure. In case of vacancy, the governor shall appoint a commissioner who shall immediately take office and shall carry on all duties of the office until the next session of the legislature when his appointment shall be submitted to the senate for approval. The commissioner shall be a person having substantial experience in the administration and financing of vocational rehabilitation programs.

Subd. 3. [CONSUMER ADVISORY COUNCIL.] To assure that consumer concerns are integral parts of the considerations of the department, the commissioner shall establish and appoint a consumer advisory council on vocational rehabilitation which shall be composed of nine members. No fewer than five members of the council shall be handicapped persons, and there shall be one person appointed to the council to represent each of the following: business, labor, education, medicine and the private rehabilitation industry. The remaining members shall be public members. Under the direction of the commissioner, the council shall organize itself and elect a chairman and other officers as it deems appropriate. The council shall meet at the call of the chairman or the commissioner as often as necessary. The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.

Subd. 4. [STAFF.] The commissioner may establish three positions in the unclassified service limited to the deputy commissioner, assistant commissioner or assistant to the commissioner levels. Persons appointed to fill these positions shall serve at the pleasure of the commissioner.

Sec. 3. [129A.03] [DUTIES AND POWERS.] The commissioner shall:

(a) Develop and administer the long-term sheltered workshops and work activity programs and perform the duties as specified in section 8;

(b) Provide vocational rehabilitation services such as, but not limited to, diagnostic and related services incidental to the determination of eligibility for services to be provided, which services may include medical diagnosis and vocational diagnosis; vocational counseling, training and instruction, including personal adjustment training; physical restoration, including corrective surgery, therapeutic treatment, hospitalization and prosthetic devices, all of which shall be secured from appropriate established agencies; transportation; occupational and business licenses or permits, customary tools and equipment, maintenance, books, supplies and training materials; initial stocks and supplies; placement; the acquisition of vending stands or other equipment, initial stocks and supplies for small business enterprises; supervision and management of small business enterprises, merchandising programs or services rendered by severely disabled persons; the establishment, improvement, maintenance or extension of public and other non-profit rehabilitation facilities, centers, workshops, demonstration projects and research. These services shall be provided for handicapped persons in the state whose capacity to earn a living has in any way been destroyed or impaired through industrial accident or otherwise, provided that such persons shall be entitled to free choice of vendor for any medical or dental services thus provided;

(c) Formulate plans of cooperation with the commissioner of labor and industry with reference to providing services to workers covered under the workmen's compensation act. Those plans shall be effective only when approved by the governor;

(d) Maintain a contractual relationship with the United States as authorized by the act of Congress approved September 1, 1954, known as the "Social Security Amendments of 1954," being Public Law 761, Section 221, and the act approved October 30, 1972, known as the Social Security Amendments of 1972, being Public Law 92-603, and subsequent amendments thereto, in which agreement the state will undertake to make determinations referred to in those public laws with respect to all individuals in Minnesota, or with respect to such class or classes of individuals in this state as may be designated in the agreement at the state's request, it being the purpose of this relationship to permit the citizens of this state to obtain all benefits available under federal law;

(e) Provide an in-service training program for department employees by paying for the direct costs thereof with state and federal funds;

(f) Conduct research and demonstration projects; provide training and instruction, including the establishment and maintenance of research fellowships and traineeships, along with all necessary stipends and allowances; disseminate information to the handicapped and general public; and provide technical assistance relating to vocational rehabilitation;

(g) Receive and disburse pursuant to law funds and gifts available from governmental and private sources for the purpose of vocational rehabilitation;

(h) Design all state plans of vocational rehabilitation services required as a condition to the receipt and disbursement of any funds available from the federal government;

(i) Cooperate with other public or private agencies or organizations for the purpose of vocational rehabilitation;

(j) Enter into contractual arrangements with instrumentalities of federal, state, or local government and with private individuals, organizations, agencies or facilities with respect to providing vocational rehabilitation services;

(k) Take other actions required by state and federal legislation relating to vocational rehabilitation and disability determination programs;

(l) Hire the staff and arrange for the provision of services and facilities necessary to perform the duties and powers specified in this section; and

(m) Adopt, amend, suspend or repeal rules necessary to implement or make specific programs which the commissioner by this act is empowered to administer.

**Sec. 4. [129A.04] [DISABILITY DETERMINATIONS; PROTECTION OF PERSONS MAKING REPORT.]** No communication or statement furnished by a physician or other professional person to the department or any other agency of the state for use in connection with an agreement or contractual relationship as contemplated in section 3, clause (d), shall be made the subject of any slander, libel or defamation action.

**Sec. 5. [129A.05] [REPORTS: AVAILABILITY, NO DISCLOSURE.]** Subdivision 1. The employees of the department specifically authorized by the commissioner shall have the right to receive from any public records the names, addresses and information pertinent to their vocational rehabilitation of persons injured or otherwise disabled. Except as provided in subdivision 2, no information obtained from these reports, nor any copy of the same, nor any of the contents thereof, nor other confidential information as defined by the commissioner shall be open to the public, nor shall be disclosed in any manner by any official or clerk or other employee of the state having access thereto, but the same may be used, except as provided in subdivision 2, solely to enable the department to offer the benefits of vocational rehabilitation to the persons injured or otherwise disabled.

Subd. 2. When the employees of the department have knowledge relating to the nature and extent of an injury or disability or have knowledge of other relevant or material facts with respect to any claim made pursuant to chapter 176 by an injured employee, the commissioner shall first obtain the written consent of the injured employee to the release of the information and

shall then report to any party to the claim under the workmen's compensation law and to the workmen's compensation division or the workmen's compensation commission, as the case may be, all of the facts within ten days after the department has received written request for such information from the workmen's compensation division or the workmen's compensation commission, as the case may be. At a hearing before a compensation judge or the workmen's compensation commission on appeal, an employee of the department may, upon written consent of the injured employee, disclose the facts and conclusions upon which the vocational rehabilitation evaluation of the injured employee was made.

**Sec. 6. [129A.06] [COMMUNITY LONG-TERM SHELTERED WORKSHOPS AND WORK ACTIVITY PROGRAMS; APPLICANTS FOR ASSISTANCE.]** Subdivision 1. Any city, town, county, nonprofit corporation, or any combination thereof, may apply to the commissioner for assistance in establishing or operating a community long-term sheltered workshop or work activity program. Application for assistance shall be on forms supplied by the commissioner. Each applicant shall annually submit to the commissioner its plan and budget for the next fiscal year. No applicant shall be eligible for a grant hereunder unless its plan and budget have been approved by the commissioner.

**Sec. 7. [129A.07] [COMMUNITY LONG-TERM SHELTERED WORKSHOP BOARDS.]** Subdivision 1. Every city, town, county, nonprofit corporation, or combination thereof establishing a community long-term sheltered workshop or work activity program shall appoint a long-term sheltered workshop board of no fewer than nine members before becoming eligible for the assistance provided by sections 6 to 8. When any city, town, or county singly establishes such a workshop or work activity program, the board shall be appointed by the chief executive officer of the city or the chairman of the governing board of the county or town. When any combination of cities, towns, counties or nonprofit corporations establishes a workshop or work activity program, the chief executive officers of the cities, nonprofit corporations and the chairmen of the governing bodies of the counties or towns shall appoint the board. If a nonprofit corporation singly establishes a workshop or work activity program, the corporation shall appoint the board of directors. Membership on a board shall be representative of the community served and shall include a handicapped person. One-third to one-half of the board shall be representative of industry or business. The remaining members should be representative of lay associations for the handicapped, labor, the general public, and education, welfare, medical, and health professions. Nothing in sections 6 to 8 shall be construed to preclude the appointment of elected or appointed public officials or members of the board of directors of the sponsoring nonprofit corporation to the board, so long as representation described above is preserved.

**Subd. 2.** The term of office of each member of the community long-term sheltered workshop or work activity board shall be for four years, measured from the first day of the year of ap-

pointment, except as follows: Of the members first appointed, at least three shall be appointed for a term of two years, at least three for a term of three years and at least three for a term of four years. Vacancies shall be filled for the unexpired term in the same manner as original appointments. Any member of a board may be removed by the appointing authority for neglect of duty, misconduct or malfeasance in office, after being given a written statement of charges and an opportunity to be heard thereon.

Subd. 3. Subject to the provisions of sections 6 to 8 and the rules of the department, each community long-term sheltered workshop or work activity program board shall:

(a) Review and evaluate the need for a long-term sheltered workshop services or work activity program provided pursuant to sections 6 to 8 and report thereon to the commissioner and, when indicated, the public, together with recommendations for additional services and facilities;

(b) Recruit and promote local financial support for the program from private sources such as community chests, business, industrial and private foundations, voluntary agencies and other lawful sources and promote public support for municipal and county appropriations;

(c) Promote, arrange and implement working agreements with other educational and social service agencies both public and private and any other allied agencies;

(d) Advise the commissioner on the adoption and implementation of policies to stimulate effective community relations;

(e) Review the annual plan and budget and make recommendations thereon;

(f) When so determined by the authority establishing the program, act as the administrator of the program.

Sec. 8. [129A.08] [DUTIES AND POWERS OF THE COMMISSIONER IN RESPECT TO LONG-TERM SHELTERED WORKSHOPS AND WORK ACTIVITY PROGRAMS.] Subdivision 1. The commissioner may make grants to assist cities, towns, counties, nonprofit corporations, or any combination thereof in the establishment, operation and expansion of long-term sheltered workshops or work activity programs. The commissioner may accept federal grants or aids and shall cooperate with federal agencies in any reasonable manner necessary to qualify for federal grants or aids for long-term sheltered workshops or work activity programs.

Subd. 2. At the beginning of each fiscal year, the commissioner shall allocate available funds to long-term sheltered workshops and work activity programs for disbursement during the fiscal year in accordance with approved plans or budgets. The commissioner shall from time to time during the fiscal year review the budgets and expenditures of the various programs and if funds are not needed for the program to which they were allo-

cated, he may, after reasonable notice and opportunity for hearing, withdraw such funds as are unencumbered and reallocate them to other programs. He may withdraw funds from any program which is not being administered in accordance with its approved plan and budget and with relevant department rules.

Subd. 3. The grant may not exceed an amount equal to 75 percent of the normal operating expenses of the long-term sheltered workshop or work activity program. Wages paid clients or long-term workers are to be excluded in determining operating cost. In the event that there are inadequate funds appropriated to meet the foregoing provisions in full, they shall be prorated proportionately.

Subd. 4. In addition to the powers already conferred on him by law, the commissioner shall promulgate rules in regard to the following matters:

(a) State certification of all long-term sheltered workshops and work activity programs;

(b) Eligibility of community long-term sheltered workshops and work activity programs to receive state grants;

(c) Standards for qualification of personnel and quality of professional service and for in-service training and education leave programs for personnel;

(d) Eligibility for service so that no person will be denied service on the basis of race, creed or color;

(e) Regulatory fees for consultation services; and

(f) Standards and criteria by which handicapped persons are to be judged eligible for the services.

Sec. 9. [EFFECT OF TRANSFER TO DEPARTMENT OF VOCATIONAL REHABILITATION.] Subdivision 1. [TRANSFER OF ADMINISTRATIVE FUNCTIONS.] The powers, duties and functions of the Minnesota state department of education relating to vocational rehabilitation are transferred to the department of vocational rehabilitation. The commissioner of vocational rehabilitation shall be the successor to the powers and duties of the former assistant commissioner of vocational rehabilitation within the department of education and to the powers and duties of the board of education relative to vocational rehabilitation.

Subd. 2. [TRANSFER NOT TO CONSTITUTE NEW AUTHORITY.] Except as provided herein, the transfer of powers, duties and functions under sections 1 to 9 shall not constitute the creation of a new authority, but shall constitute a continuation of the powers, duties and functions. For the purpose of succession, all rights, authorities, powers, duties, functions and obligations existing at the time of the transfer shall continue with the same force and effect as if no transfer had been made.

Subd. 3. [CONTINUATION OF RULES AND REGULATIONS.] Any order, rule or regulation issued or existing and in

force at the time of the transfer of powers, duties and functions under sections 1 to 9 shall continue in full force and effect as an order, rule or regulation of the department, or program under the control of the commissioner, until the order, rule or regulation is amended, repealed or superseded, or the program terminated.

Subd. 4. [TRANSFER NOT TO AFFECT LEGAL ACTION.] The transfer of powers, duties and functions as provided in sections 1 to 9 shall not affect any action or proceeding whether of an administrative, civil or criminal nature pending at the time of the transfer, but the action shall be prosecuted or defended in the name of the commissioner or his designee, and the commissioner or his designee, upon application to the appropriate court, shall be substituted as a party to the action or proceeding. No contract entered into according to law shall be affected by the transfer, but shall be performed as if the transfer had not occurred.

Subd. 5. [PENSION RIGHTS CONTINUED.] The rights and privileges of any official, appointee or employee who is a member or beneficiary of any public pension or retirement system at the time of this transfer shall not be affected by the transfer.

Subd. 6. [TRANSFER OF STATUTORY REFERENCE.] Whenever a person or authority whose powers, duties and functions are transferred hereunder is referred to in any statute, contract or document, the reference or designation shall be deemed to refer to the department or officer to which the powers, duties and functions have been transferred.

Subd. 7. [CONTINUATION OF RIGHTS OF EMPLOYMENT.] All officers and employees in the classified service, pursuant to the provisions of the state personnel act, of the division of vocational rehabilitation are transferred to the department of vocational rehabilitation, and the employees shall not lose any rights now accorded them by law.

Subd. 8. [TRANSFER OF EXISTING APPROPRIATIONS.] The unencumbered and unexpended balance of all funds appropriated to the department of education for vocational rehabilitation purposes are transferred and reappropriated to the department of vocational rehabilitation for the purposes of sections 1 to 9.

Sec. 10. [REPEALER.] Minnesota Statutes 1974, sections 121.29; 121.30; 121.301; 121.31; 121.32; 121.33; 121.331; 121.71; 121.711; 121.712; 121.713 and 121.714 are repealed.

Sec. 11. [EFFECTIVE DATE.] This act takes effect July 1, 1976."

Further amend the title by striking it in its entirety and inserting:

"A bill for an act relating to the operation of state government; creating a department of vocational rehabilitation; transferring the powers and duties of the division of vocational rehabilitation to the department; transferring personnel and appropriations; repealing Minnesota Statutes 1974, sections 121.29; 121.30; 121.301; 121.31; 121.32; 121.33; 121.331; 121.71; 121.711; 121.712; 121.713 and 121.714."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1876: A bill for an act relating to the operation of state government; correcting the nomenclature of or restructuring several boards and committees; limiting the use of advisory groups; standardizing the terms, compensation and removal of members of committees; abolishing or transferring the functions of several state agencies including the public relief advisory committee, the Minnesota-South Dakota boundary waters commission, the motor vehicle reciprocity commission, the Big Island veterans camp board of directors, the Minnesota insurance guaranty association board of directors, the publications advisory board, the Indian education committee, the advisory committee for mentally retarded and cerebral palsied community residential facilities, and the state teletypewriter advisory committee; amending Minnesota Statutes 1974, Sections 3.30, by adding a subdivision; 17.52; 17.53, Subdivision 5; 17.54, Subdivisions 2, 4 and 5; 21A.02, Subdivision 5; 21A.03; 21A.10; 29.14, Subdivision 4; 29.15, Subdivisions 1 and 4; 30.463, Subdivision 2; 30.465; 30.466; 32B.03, Subdivision 4; 32B.04, Subdivision 5, and by adding a subdivision; 60C.03, by adding a subdivision; 60C.05; 60C.06, Subdivision 3; 60C.07; 60C.09, Subdivision 2; 60C.10; 60C.11; 60C.12; 60C.14, Subdivision 2; 60C.15; 84.01, Subdivision 5; 114.12; 116E.02, Subdivision 1; 116E.03, Subdivision 7, and by adding a subdivision; 121.83; 136A.02, Subdivision 5; 141.24; 168.187, Subdivisions 7, 8, 9, 11, 12, 15, 18, 24 and 25; 178.02, Subdivision 2; 197.15; 197.16; 252.28, Subdivision 2, and by adding a subdivision; 256.01, Subdivision 6; 326.41; 326.49; 481.01; Chapters 15, 21A. 60C and 114, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 15.012; 15.059, Subdivision 4; 84B.11, Subdivision 1; 86A.10, Subdivision 1; 115.71, Subdivision 4; 115.74, Subdivision 1; 125.183, Subdivision 1; 148.231, Subdivision 2; 149.02; 151.03; 155.05; 198.055, Subdivision 1; 326.241, Subdivision 1; 326.33, Subdivision 1; Extra Session Laws 1971, Chapter 31, Article 13, Section 1, as amended; repealing Minnesota Statutes 1974, Sections 17.60; 17.601; 21A.04; 32B.04, Subdivision 2; 72B.09; 114.01 to 114.08; 126.023; 168.187, Subdivision 6; 178.02, Subdivision 3; 197.14; 252.29; 299C.47; 362.16; Minnesota Statutes, 1975 Supplement, Section 86A.10, Subdivisions 3, 4 and 5; and Laws 1975, Chapter 380, Section 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 17, insert:

“Sec. 2. Minnesota Statutes, 1975 Supplement, Section 15.01, is amended to read:

15.01 [DEPARTMENTS OF THE STATE.] The following agencies are designated as the departments of the state government: the department of administration; the department of aeronautics; the department of agriculture; the department of com-

merce; the department of corrections; the department of economic development; the department of education; the department of employment services; the department of finance; the department of health; the department of highways; the department of human rights; the department of labor and industry; the department of military affairs; the department of natural resources; the department of personnel; the department of public safety; the department of public service; the department of public welfare; the department of revenue; and the department of veterans affairs ; *and their successor departments .*"

Page 4, after line 18, insert:

"Sec. 5. Minnesota Statutes, 1975 Supplement, Section 15.059, Subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Members of the advisory councils and committees shall be compensated at the rate of ~~\$25~~ \$35 per day spent on council or committee activities , *when authorized by the council or committee*, plus expenses in the same manner and amount as state employees. Members who are state employees or employees of political subdivisions shall not receive the ~~\$25~~ \$35 per day ; *but they shall suffer no loss in compensation or benefits from the state or political subdivision as a result of their services on the council or committee if the activities occur during normal working hours for which they are also compensated by the state or political subdivision .* Members who are full time state employees or full time employees of the political subdivisions of the state may receive the expenses provided for in this section unless the expenses are reimbursed by another source."

Page 5, after line 1, insert:

"Sec. 7. Minnesota Statutes 1974, Section 16.71, Subdivision 1, is amended to read:

16.71 [STATE EMPLOYEES SUGGESTION BOARD.] Subdivision 1. [MEMBERSHIP.] Within the office of the commissioner of administration is created and established the ~~Minnesota State Employees Merit Award Board~~ *state employees suggestion board* , herein called the board, composed of ~~five~~ *seven* members, appointed by the governor, each of whom is a state officer or employee. ~~The term of the first board shall begin July 1, 1955, and expire February 1, 1957. Thereafter~~ Terms of office shall be two years. Members shall be appointed by the governor and serve without compensation, but shall be reimbursed for expenses necessarily incurred in the performance of duty. Vacancies in membership shall be filled by appointment of the governor for the remainder of the unexpired term. The board shall annually elect a member to be chairman."

Page 6, line 7, strike "*. Councils created*"

Page 6, line 8, strike all new language

Pages 6 and 7, strike sections 8 and 9

Pages 8 and 9, strike sections 12 and 13

Pages 9 and 10, strike sections 15 and 16

Pages 11 and 12, strike sections 18 and 19

Pages 13 and 14, strike sections 21 and 22

Page 28, line 25, strike "Subdivision 1,"

Page 29, after line 17, insert:

"Subd. 2. *The council shall expire and membership terms, compensation of members, removal of members, and the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09 section 15.059 and section 4 of this act .*

Subd. 3. When new members are appointed to the board council a chairman shall be elected at the next board meeting. The state department of health representative or other representative designated by the board council shall serve as secretary of the board council, except that the secretary shall be responsible for maintaining records relating to certification of water supply system operators and the Minnesota pollution control agency shall be responsible for maintaining records relating to certification of wastewater treatment facility operators.

Subd. 4. The board council shall cause at least one examination to be held each year for the purpose of examining candidates for certification at a time and place designated by the board council. Those applicants whose competency is acceptable to the board council shall be recommended to the secretary or the director for certification. Additional meetings may be called by the chairman as may be necessary to carry out the provisions of sections 115.71 to 115.82. Four members shall constitute a quorum."

Page 30, line 3, strike the new language and insert "state council"

Page 33, line 8, strike "force" and insert "forces"

Page 34, line 23, strike "advisory council" and insert "task force"

Page 45, after line 20, insert:

"Sec. 56. Minnesota Statutes 1974, Section 197.13, is amended to read:

197.13 [LAND SECURED FOR RECREATION CAMPS FOR VETERANS.] The board of governors created by section 197.14 is hereby authorized and directed to purchase Big Island, Lake Minnetonka, and all buildings and other appurtenances thereon on which is presently located the Big Island Veterans Camp, and which is described as follows: Government Lot One (1), Section Fourteen (14), Township One Hundred Seventeen (117), Range Twenty-three (23); Government Lot Two (2), Section Twenty-three (23), Township One Hundred Seventeen (117), Range Twenty-three (23); and that part of Government Lot Three (3), Section Twenty-three (23), Township One Hundred Seventeen (117), Range Twenty-three (23), commencing at the Northeast corner of said Government Lot Three (3), Section Twenty-three (23); thence Southwesterly along the lake shore to the Northeast corner of Lot A, Morse Island Park; thence South 350 feet to Lake Minne-

tonka; thence East along the shore of Lake Minnetonka to the East line of said Lot Three (3); thence North to the place of beginning, for the establishment and maintenance of a recreation and recuperative camp for the use and benefit of disabled veterans of the world war and other wars, resident in the state. Title to said land, buildings, and other appurtenances shall be held in the name of *transferred* by the board of governors of the Big Island Veterans Camp to the state of Minnesota. Any funds derived from any appropriations, contributions, unexpended balances, or revenues heretofore or hereafter existing to the credit of any such veterans' camp operating under the provisions of sections 197.13 to 197.17 may be used for the purchase of land for such camp."

Page 46, strike the new language in lines 11 to 15

Page 47, line 17, strike "seven" and insert "eleven"

Page 48, line 5, strike "Four" and insert "Six"

Page 48, line 7, strike "three" and insert "five"

Page 48, after line 17, insert:

*"Sec. 60. Three of the four members added to the veterans advisory committee by this act shall be members or former members of the board of governors of the Big Island veterans camp.*

Sec. 61. Minnesota Statutes, 1975 Supplement, Section 198.055, Subdivision 2, is amended to read:

Subd. 2. [DUTIES AND RESPONSIBILITIES.] The committee *may shall* examine the operation of the department of veterans affairs, including the administration of the statutory duties of the commissioner. It may also examine any issues and problems relating to veterans. *The committee shall advise the commissioner on matters relating to the veterans home and veterans camps which are within the jurisdiction of the commissioner.* The committee may make recommendations to the commissioner it may determine to be appropriate. "

Pages 49 and 50, strike section 67 and insert:

"Sec. 63. Minnesota Statutes 1974, Chapter 252, is amended by adding a section to read:

[252.31] [ADVISORY COUNCIL.] *The commissioner of public welfare shall appoint an advisory council of 11 members to be known as the advisory council for the mentally retarded and physically handicapped. The council shall advise the commissioner relative to those laws for which the commissioner is responsible to administer and enforce relating to mental retardation and physical disabilities. The council shall consist of persons who are providers or consumers of service for the mentally retarded or physically handicapped, or who are interested citizens. The commissioner of education and the commissioner of health or their designees shall be non-voting ex-officio members and shall advise the council as to rules, regulations and services which relate to the departments of education and health. The council shall expire and the terms, compensation and removal of appointed members shall be as provided in section 15.059."*

Page 53, line 27, delete "13" and insert "XIII"

Page 53, line 28, after the comma insert "and Laws 1975, Chapter 437, Article VII, Sections 1 and 2,"

Page 53, line 30, strike "commission" and insert "committee"

Page 54, line 2, strike "commission" and insert "committee"

Page 54, line 3, reinsert the stricken " "Tax Study"

Page 54, line 3, strike the new language

Page 54, line 4, strike "Taxation" and insert "Committee"

Page 54, line 4, strike "commission" and insert "committee"

Page 54, after line 5, insert:

"Subd. 2. [INCOME TAX AND SALES TAXES.] The ~~commission~~ *committee* shall examine *the individual and corporate income tax and sales taxes as they relate to real estate taxes with the purpose of determining more equitable individual and corporate tax burdens.*

Subd. 3. [MEMBERSHIP.] The ~~commission~~ *committee* shall consist of no more than 15 members: five members of the house of representatives appointed by the speaker; five members of the senate appointed by the senate committee on committees; and five members shall be chosen by the governor from within or without the state. Any vacancy shall be filled by the appointing authority. A ~~commission~~ *committee* member appointed by the speaker of the house or the senate committee on committees shall only be a member of the ~~commission~~ *committee* so long as he is a member of the body from which he was appointed. The ~~commission~~ *committee* shall continue until June 30, ~~1975~~ 1977. *The terms, compensation and removal of members who are not legislators shall be as provided in section 15.059 and section 4 of this act.*

Subd. 4. [REPORT OF COMMITTEE.] The ~~commission~~ *committee* shall report its findings and a definite comprehensive plan for legislative and administrative action to the governor and legislature no later than November 15, ~~1974~~ 1976 .

Subd. 5. [MEETINGS, POWERS, OFFICERS.] The ~~commission~~ *committee* may hold meetings and hearings at such times and places as it may designate to accomplish the purposes set forth in this section, and may subpoena witnesses and records. It shall select a chairman, a vice chairman, and such other officers from its membership as it deems necessary.

Subd. 6. [EXPENSES, EMPLOYEES.] ~~Members of the commission shall be compensated and shall be allowed and paid their actual traveling and other expenses necessarily incurred in the performance of their duties.~~ The ~~commission~~ *committee* may hire employees, rent office space, purchase supplies, contract with consultants, and do all things necessary and convenient in carrying out the purposes of this section. The ~~commission~~ *committee* shall use the available facilities and personnel of the legislature and the revisor of statutes unless the ~~commission~~ *committee* by resolution

determines a special need exists for the use of other facilities or personnel. ~~Reimbursement for expenses incurred for all members of the commission shall be made in accordance with Minnesota Statutes, Section 3.102.~~

Subd. 7. [ACCEPTANCE OF GIFTS AND GRANTS.] The ~~commission~~ *committee* may, in the name and on behalf of the state of Minnesota, accept and dispose of gifts, grants, or loans of money or other property from the United States or any other source for the purpose of conducting investigations.

Subd. 8. [APPROPRIATION.] There is hereby appropriated for the biennium ending June 30, 1977, from the general fund the sum of \$200,000 to pay the expenses incurred by the ~~commission~~ *committee*. The amount appropriated by this subdivision is in addition to such sums of money which may be heretofore appropriated to the "Tax Study ~~Commission~~ *Committee*".

Sec. 71. Laws 1975, Chapter 271, Section 3, is amended to read:

Sec. 3. Name changes. The names of the following state agencies are changed to the new names as provided hereafter:

(1) Advisory committee on workmen's compensation to advisory council on workmen's compensation;

(2) Advisory commission on fluctuating school enrollments to advisory council on fluctuating school enrollments;

(3) Capitol area architectural and planning commission to capitol area architectural and planning board;

(4) Commission on judicial standards to board on judicial standards;

(5) Economic development advisory commission to economic development advisory committee;

(6) Employment agency advisory board to employment agency advisory council;

(7) Environmental quality council to environmental quality board;

(8) Ethics commission to ethical practices board;

(9) Gillette hospital authority to Gillette hospital board;

(10) Governor's citizens council on aging to Minnesota board on aging;

(11) Higher education coordinating commission to higher education coordinating board;

(12) Indian affairs commission to Indian affairs board;

(13) Intergovernmental information services advisory council to intergovernmental information systems advisory council;

(14) Iron range resources and rehabilitation commission to iron range resources and rehabilitation board;

(15) Joint committee to review administrative rules to legislative commission to review administrative rules;

(16) Joint coordinating committee to legislative coordinating commission;

(17) Land exchange commission to land exchange board;

(18) Legislative advisory committee to legislative advisory commission;

(19) Legislative retirement study commission to legislative commission on pensions and retirement;

(20) Licensed practical nursing board to board of licensed practical nursing;

(21) Meat improvement board to meat advisory council;

(22) Minnesota abstractors board of examiners to board of abstractors;

(23) Minnesota commission for the handicapped to council for the handicapped;

(24) Minnesota corrections authority to corrections board;

(25) Minnesota environmental education council to environmental education board;

(26) Minnesota resources commission to legislative commission on Minnesota resources;

(27) Municipal commission to Minnesota municipal board;

(28) Occupational safety and health advisory board to occupational safety and health advisory council;

(29) Occupational safety and health review commission to occupational safety and health review board;

(30) Physical therapists examining committee to physical therapists examining council;

(31) Podiatry examining board to board of podiatry;

(32) Private detective and protective agent licensing board to board of private detective and protective agent services;

(33) Real estate advisory commission to real estate advisory council;

(34) Soil and water conservation commission to *state* soil and water conservation board;

(35) Southern Minnesota rivers basin commission to southern Minnesota rivers basin board;

(36) State arts council to state arts board;

(37) State board of examiners of psychologists to board of psychology;

(38) State boxing commission to board of boxing;

(39) State claims commission to legislative commission on claims;

(40) State commission on cable communications to cable communications board;

(41) State cosmetology board to board of cosmetology;

(42) State information services advisory council to state information systems advisory council;

(43) State registration board for architects, engineers and land surveyors to board of architecture, engineering and land surveying;

(44) State teletypewriter communications advisory committee to state teletypewriter communications advisory council;

(45) Teachers standards and certification commission to board of teachers standards and certification;

(46) Veterinary examining board to board of veterinary medicine;

(47) Workmen's compensation commission to workmen's compensation board.

The name changes adopted by this section shall not in any way affect the powers and duties of the agencies."

Page 55, after line 27, insert:

*"Subd. 5a. In chapter 40, substitute the words "state board" or "state soil and water conservation board", as appropriate, for the words "commission" or "state soil and water conservation commission" wherever those words occur."*

Page 56, line 4, after "Subdivision 2;" insert "60C.08;"

Page 56, line 8, strike "Section" and insert "Sections"

Page 56, line 8, after "86A.10" strike the semicolon and insert a comma

Page 56, line 8, after "5" insert "; and 241.023"

Page 56, line 10, after "79." insert "Sections 56 to 61, and related transfers and continuations pursuant to section 73, shall be effective May 1, 1976. The remainder of"

Page 56, line 10, after the period, insert "The state environmental education council shall continue to have 13 members appointed by the governor until July 1, 1978, at which time the reduction in size of the state council as specified in section 35 shall be effective."

Page 56, line 16, after the period insert "The board of governors of the Big Island veterans camp shall remain in existence until it has transferred title to its real property to the state of Minnesota as provided in this act."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 20, after "subdivision;" insert "16.71, Subdivision 1;"

Page 1, line 21, strike "Subdivisions 2, 4 and 5" and insert "Subdivision 2"

- Page 1, line 22, strike "21A.10;"
- Page 1, lines 22 and 23, strike "29.15, Subdivisions 1 and 4;"
- Page 1, line 24, strike "30.465; 30.466;"
- Page 1, line 24, strike "32B.04,"
- Page 1, strike line 25
- Page 1, line 33, after "Subdivision 2;" insert "197.13;"
- Page 1, lines 34 and 35, strike ", and by adding a subdivision"
- Page 1, line 36, strike "21A,"
- Page 1, line 36, strike "and" and insert a comma
- Page 1, line 36, after "114," insert "and 252"
- Page 1, line 38, after "Sections" insert "15.01;"
- Page 1, line 38, strike "Subdivision" and insert "Subdivisions 3 and"
- Page 1, line 40, strike ", Subdivision 1"
- Page 2, line 1, strike "Subdivision 1" and insert "Subdivisions 1 and 2"
- Page 2, line 4, strike "Section 1,"
- Page 2, line 4, after "amended;" insert "Laws 1975, Chapter 271, Section 3;"
- Page 2, line 5, after "Sections" insert "15.046, as amended;"
- Page 2, line 6, after "2;" insert "60C.08;"
- Page 2, line 9, strike "Section" and insert "Sections"
- Page 2, line 10, strike "Laws 1975," and insert "241.023."
- Page 2, strike line 11
- And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 369: A bill for an act relating to the legislature; providing for the filing of state documents with the legislature; establishing duties of legislative reference library; amending Minnesota Statutes 1974, Sections 3.195; and 3.302, Subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35

S. F. No. 1979: A bill for an act relating to hospitals; providing for loans to medical students who agree to practice in the hospital district; amending Minnesota Statutes 1974, Chapter 447, by adding a section.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Health, Welfare and Corrections. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35

S. F. No. 1954: A bill for an act relating to bingo; providing penalties; repealing Minnesota Statutes 1974, Chapter 349.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Transportation and General Legislation. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35

S. F. No. 1991: A bill for an act relating to education; providing for loans to medical students on certain conditions; amending Minnesota Statutes, 1975 Supplement, Section 147.30.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Education. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 1530 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1530	1653				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1530 be amended as follows:

Strike everything after the enacting clause and insert:

**“Section 1. [LEGISLATIVE FINDINGS AND PURPOSE.]**  
*The legislature finds and declares that the local governmental units within the metropolitan area are interdependent, that the growth and patterns of urbanization within the area create the need for additional state, metropolitan and local public services and facilities and increase the danger of air and water pollution, and that developments in one local governmental unit may have an impact on the provision of regional capital improvements for sewers, transportation, airports and regional recreation open space. Since problems of urbanization and development transcend local governmental boundaries, there is a need for the adoption of coordinated plans, programs and controls by all local governmental units and school districts in order to protect the health, safety and welfare of the residents of the metropolitan area and to ensure coordinated, orderly and economic development. Therefore, it is the purpose of sections 1 to 18 to (1) establish requirements and procedures to accomplish comprehensive local planning with land use controls consistent with planned, orderly and staged develop-*

*ment and the metropolitan system plans, and (2) to provide assistance to local governmental units and school districts within the metropolitan area for the preparation of plans and official controls appropriate for their areas and consistent with metropolitan system plans.*

Sec. 2. [473.901] [DEFINITIONS.] *Subdivision 1. As used in sections 1 to 18, the following terms shall have the meanings given them.*

*Subd. 2. "Advisory metropolitan land use committee" or "advisory committee" means an advisory committee established by the metropolitan council pursuant to section 3.*

*Subd. 3. "Applicable planning statute" means Minnesota Statutes, Sections 394.21 to 394.37 for counties and Minnesota Statutes, Sections 462.351 to 462.364 for cities and towns.*

*Subd. 4. "Capital improvement program" means an itemized program for a five year prospective period, subject to at least biennial review, setting forth the schedule, timing, and details of specific contemplated public improvements by year, together with their estimated cost, the need for each improvement, financial sources, and the financial impact that the improvements will have on the local governmental unit or school district.*

*Subd. 5. "Comprehensive plan" means the comprehensive plan of each local governmental unit described in sections 6 and 7.*

*Subd. 6. "Local governmental unit" or "unit" means all cities, counties and towns lying in whole or in part within the metropolitan area, but does not include school districts.*

*Subd. 7. "School district" has the meaning given it by Minnesota Statutes, Section 120.02, Subdivisions 14 and 15, and includes any independent or special school district wholly or partly within the metropolitan area.*

*Subd. 8. "Metropolitan system plans" means the airports portion of the metropolitan development guide; and the policy plans, development programs and capital budgets for metropolitan waste control, transportation, and regional recreation open space.*

*Subd. 9. "Official controls" or "controls" means ordinances and regulations which control the physical development of a city, town or any part thereof or any detail thereof and implement the general objectives of the comprehensive plan. Official controls may include ordinances establishing zoning, subdivision controls, site plan regulations, sanitary codes, building codes and official maps.*

*Subd. 10. "Private sewer facility" means a single lot, multiple lot or other sewage collection or treatment facility owned, constructed or operated by any person other than a local governmental unit or the metropolitan waste control commission.*

Sec. 3. [473.903] [ADVISORY COMMITTEE.] *The council shall establish an advisory metropolitan land use committee pursuant to section 473.127, comprised of 16 members, one from each council district, and as many additional members as are necessary to provide*

representation from each metropolitan county, plus a chairman. At least one half of the members of the advisory committee shall be elected officials of local governmental units. The members shall be appointed for the same period as the term of the council member for the district in which the member resides.

Sec. 4. [473.904] [GUIDELINES.] *The council shall prepare and adopt guidelines and procedures relating to the requirements and provisions of sections 1 to 18 which will provide assistance to local governmental units and school districts in accomplishing the provisions of sections 1 to 18.*

Sec. 5. [473.906] [METROPOLITAN SYSTEMS STATEMENT.] *Subdivision 1. By April 1, 1977, the council shall transmit to each local governmental unit a metropolitan systems statement. In the preparation of metropolitan systems statements, the council shall consult with appropriate commissions and officials of the unit. The statement shall contain information relating to the unit and surrounding territory that the council determines necessary for the unit to consider in preparing its comprehensive plan, including the following:*

(a) *The timing, character, function, location, projected capacity and conditions on use, for existing or planned public facilities specified in metropolitan system plans, including at least interceptor sewers, highways, transit systems, airports, and regional recreation open space;*

*Information shall also be specified for state and federal public facilities to the extent known to the council;*

(b) *Population, employment and housing need projections which have been used by the council as a basis for its metropolitan systems plans;*

(c) *Any parts of the land use plan, public facilities plan or implementation program which may be excluded from the plan of the local governmental unit. The exclusion of parts shall be based on the nature and character of existing and projected development within each local governmental unit and on policies, statements, and recommendations contained in metropolitan systems plans.*

*Subd. 2. Within 60 days following the receipt of a metropolitan systems statement, a local governmental unit may by resolution request that the metropolitan council modify any portion of the metropolitan systems statement. A request for modification shall be accompanied by an explanation of the reasons for the request. The council shall refer the request to the advisory metropolitan land use committee for a hearing under section 12. If no request for a hearing is received by the council within 60 days following receipt of the systems statement by the local governmental unit, the statement shall be final and not be subject to a request for a hearing under section 12.*

Sec. 6. [473.908] [COMPREHENSIVE PLANS; LOCAL GOVERNMENTAL UNITS.] *Subdivision 1. Within three years following the receipt of the metropolitan systems statement, every local governmental unit shall have prepared a comprehensive plan in accordance with sections 1 to 18 and the applicable planning statute and shall have submitted the plan to the metropolitan council for review pursuant to section 9. The provisions of sec-*

tions 1 to 18 shall supersede the provisions of the applicable planning statute wherever a conflict may exist.

*Subd. 2. Local governmental units shall submit their proposed comprehensive plans to adjacent governmental units and affected school districts for review and comment at least six months prior to submission of the plan to the council.*

*Subd. 3. The comprehensive plans shall be submitted to the council following approval by the planning commission of the unit, if any, and after consideration but before final approval by the governing body of the unit.*

*Subd. 4. Prior to the adoption of comprehensive plans pursuant to sections 1 to 18, existing comprehensive plans, capital improvement programs, sewer policy plans and official controls of local governmental units shall remain in force and effect. Existing comprehensive plans, capital improvement programs, sewer policy plans, and official controls may be amended as appropriate and new capital improvements programs and official controls may be prepared and adopted prior to the submission to the council of comprehensive plans required by sections 1 to 18.*

**Sec. 7. [473.910] [COMPREHENSIVE PLAN CONTENT.]**  
*Subdivision 1. The comprehensive plan shall contain objectives, policies, standards and programs to guide public and private land use, development, redevelopment and preservation for all lands and waters within the jurisdiction of the local governmental unit through 1990 and may extend through any year thereafter which is evenly divisible by five. Each plan shall specify expected industrial and commercial development, planned population distribution, and local public facility capacities upon which the plan is based. Each plan shall contain a discussion of the use of the public facilities specified in the metropolitan system statement and the effect of the plan on adjacent local governmental units and affected school districts. Existing plans and official controls may be used in whole or in part following modification, as necessary, to satisfy the requirements of sections 1 to 18. The comprehensive plan may contain any additional matter which may be included in a comprehensive plan of the applicable local governmental unit pursuant to the applicable planning statute.*

*Subd. 2. [LAND USE PLAN.] A land use plan shall designate the existing and proposed location, intensity and extent of use of land and water for agricultural, residential, commercial, industrial and other public and private purposes, or any combination of such purposes. The land use plan shall contain a protection element, as appropriate, for historic sites and the matters listed in section 473.204. The land use plan shall also include a housing element containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and metropolitan housing needs.*

*Subd. 3. [PUBLIC FACILITIES PLAN.] A public facilities plan shall describe the character, location, timing, sequence, function, use and capacity of existing and future public facilities of the local governmental unit, and contain at least the following parts:*

(a) *A transportation plan describing, designating and scheduling the location, extent, function and capacity of existing and proposed public and private transportation services and facilities;*

(b) *A sewer policy plan describing, designating and scheduling the areas to be sewered by the public system, the existing and planned capacities of the public system, the standards and conditions under which the installation of private sewer systems will be permitted, and to the extent practicable, the areas not suitable for public or private systems because of public health, safety and welfare considerations;*

(c) *A parks and open space plan describing, designating and scheduling the existing and proposed parks and recreation open spaces within the jurisdiction.*

**Subd. 4. [IMPLEMENTATION PROGRAM.]** *An implementation program shall describe the types of public programs and other actions to be undertaken in stated sequence to implement the comprehensive plan. The implementation program may include a discussion of the valuation of property pursuant to Minnesota Statutes, Section 273.11, the designation of permanent rural service districts, pursuant to Minnesota Statutes, Section 272.67, and the establishment of development districts pursuant to Minnesota Statutes, Sections 472A.01 to 472A.13 and any other statute authorizing the creation of districts in which the use of tax increment bonding is authorized. The program shall contain a general description of and schedule for the preparation, adoption, and administration of official controls including controls regarding zoning and subdivision ordinances, private sewer systems, and a capital improvements program for transportation, sewers, parks and open space facilities.*

**Sec. 8. [473.912] [COUNTIES.]** *Subdivision 1. Comprehensive plans of counties shall contain at least the following:*

(a) *Except for the counties of Hennepin and Ramsey, a land use plan as specified in section 7, subdivision 2, for all unincorporated territory within the county;*

(b) *A public facilities plan which shall include all appropriate matters specified in section 7, subdivision 3, including at least a transportation plan, and a description of existing and projected solid waste disposal sites and facilities;*

(c) *An implementation program, as specified in section 7, subdivision 4.*

**Subd. 2.** *Each county other than Hennepin and Ramsey shall prepare, with the participation and assistance of the town, the comprehensive plan for any town within the county which fails by December 31, 1976, to take action by resolution indicating its intention to prepare the comprehensive plan.*

**Subd. 3.** *Each county other than Hennepin and Ramsey shall prepare, with the participation and assistance of the town, the comprehensive plan for each town within the county not authorized to plan under Minnesota Statutes, Sections 462.351 through 462.364, or under special law.*

**Sec. 9.** *Minnesota Statutes, 1975 Supplement, Section 473.175, is amended to read:*

473.175 [COUNCIL REVIEW; COMPREHENSIVE PLANS.] Each city, town, and county all or part of which lies within the metropolitan area, shall submit to the metropolitan council for written comment and recommendation thereon its proposed long term comprehensive plans, including but not limited to plans for land use. The proposed plans shall be submitted to the council after their approval by the planning commission of the local government unit and before final approval by the governing body of the city, town or county. The council shall maintain such plans in its files available for inspection by members of the public.

*Subdivision 1. The council shall review the comprehensive plans of local governmental units and subsequent amendments thereto to determine their compatibility with each other and conformity with metropolitan system plans. The council may review and comment on the consistency of the comprehensive plans with other adopted chapters of the metropolitan development guide. The council may, by resolution, require the local governmental unit to modify any comprehensive plan or part thereof which may have a substantial impact on or contain a substantial departure from metropolitan system plans.*

*Subd. 2. Within 90 days following receipt of a comprehensive plan, or plan amendment prepared in accordance with sections 1 to 18, the council shall return a statement containing its comments and required modifications, if any, to the local governmental unit. No local government action shall be taken by any local government unit to place any such submitted comprehensive plan or plan amendment or part thereof into effect until 90 days have elapsed after its submission to the council has returned the comments and required modifications to the unit, until a final decision, order, or judgment has been made pursuant to this section or section 12, and until the unit has incorporated the modifications in the plan. The local governmental unit, within 60 days of the receipt of the required modifications, may by resolution request that a hearing be held under section 12. If, within 60 days, a request for a hearing under section 12 has not been received, the council decision shall make its final decision on the required modifications. Promptly after submission, the council shall notify each city, town, county, or special district which may be affected by the plans submitted, of the general nature of the plan, the date of submission, and the identity of the submitting unit. Political subdivisions contiguous to or within the submitting unit shall be notified in all cases. Within 30 days after receipt of such notice any governmental unit so notified or the local governmental unit submitting the plan may request the council to conduct a hearing at which the submitting unit and any other governmental unit or subdivision may present its views. The council may shall attempt to mediate and resolve differences of opinion which exist among the participants in the hearing with respect to the plans submitted. If within 90 days the council fails to complete its written comments and recommendations the plans shall be deemed approved and may be placed into effect. Any major alteration amendment to a plan subsequent to the council's review shall be submitted to and acted upon by the council in the same manner as the original plan. The*

written comments and recommendations of the council shall be filed with the plan of the local government unit at all places where the plan is required by law to be kept on file.

*Subd. 3. If a local governmental unit fails to adopt or amend a comprehensive plan in accordance with sections 6 to 11, and 15, the council may commence proceedings to enforce the provisions of sections 1 to 18 by appropriate legal action in the district court where the local governmental unit is located.*

*Subd. 4. Local governmental units shall be required to consider in their initial comprehensive plans submitted to the council any amendments or modifications to metropolitan system plans which were made by the council and transmitted to the local governmental unit prior to January 1, 1978. Thereafter, within nine months after receiving an amendment to a metropolitan system plan, each affected local governmental unit shall review its comprehensive plan to determine if an amendment is necessary to ensure continued conformity with metropolitan system plans. If an amendment is necessary, the governmental unit shall prepare the amendment and submit it to the council for review pursuant to this section.*

**Sec. 10. [473.914] [PLANS AND PROGRAMS; ADOPTION; AMENDMENT.]** *Subdivision 1. Each local governmental unit shall adopt its comprehensive plan with required modifications within six months following receipt of the council's comments and required modifications under section 9 and following a final decision, order, or judgment pursuant to sections 9 or 12.*

*Subd. 2. Amendments to comprehensive plans of local governmental units shall be prepared and submitted in the same manner as the original plan.*

**Sec. 11. [473.917] [IMPLEMENTATION OF COMPREHENSIVE PLANS.]** *Subdivision 1. Each local governmental unit shall adopt official controls as described in its adopted comprehensive plan and shall file copies of the official controls with the council within 30 days following adoption thereof.*

*Subd. 2. A local governmental unit shall not adopt any official control in conflict with its comprehensive plan.*

*Subd. 3. If an official control conflicts with a comprehensive plan as the result of an amendment to the plan, the official control shall be amended by the unit within six months following the amendment to the plan so as to not conflict with the amended comprehensive plan.*

**Sec. 12. [473.192] [HEARING PROCEDURE.]** *Subdivision 1. Upon a request for a hearing under section 5, subdivision 2, or section 9, subdivision 2, the council shall refer the request to the advisory metropolitan land use committee. Unless the request for a hearing includes a request for a hearing examiner, the committee shall review the systems statement or the council required modifications, and submit its findings of facts and recommendations to the council. A hearing at which the review will take place shall be held within 60 days following the request, provided that the com-*

*mittee may consolidate hearings on related requests. Within 30 days after the receipt of the findings and recommendations, the council shall, by resolution containing findings of fact and conclusions, make a final determination respecting the proposed metropolitan systems statement, or required modifications of the comprehensive plan.*

*Subd. 2. Any local governmental unit, upon the referral of a matter to the advisory committee under subdivision 1, may request that a hearing be conducted by the state office of hearing examiners in the manner provided in chapter 15 for contested cases. If a request for a hearing is made, the hearing shall be held by the examiner within 60 days, and the examiner shall forward his report directly to the council. Upon receipt of the report of the hearing examiner, the council shall make its final decision respecting the systems statement or required modification of the comprehensive plan in the manner provided in chapter 15 for contested cases. The party requesting the use of a hearing examiner shall be responsible for the costs of the hearing.*

*Subd. 3. A hearing conducted under subdivisions 1 and 2 shall consider the content of the systems statement and the factual assumptions upon which it was based; or in hearings on required modifications, the nature and significance of the alleged impact upon or departure from a metropolitan systems plan, the consistency of the recommendation of the council with other similar council action, and the support for and reasonableness of the recommended action of the council. The hearings shall not consider the need for or reasonableness of the metropolitan systems plans or parts thereof.*

*Subd. 4. At any point in the procedure established in this section, the council and the local governmental unit may resolve their disagreement by stipulation. Any local governmental unit or other person aggrieved by a final council order pursuant to sections 5, 9, or this section, may appeal the council order pursuant to Minnesota Statutes, Sections 15.0424, 15.0425, and 15.0426, for contested cases. The council, unit, district or other person aggrieved by a final order or judgment rendered on appeal to the district court may appeal therefrom to the supreme court in the manner provided in civil actions. The report of the hearing examiner or advisory committee shall be a part of the record upon which judicial review is based and shall be considered by the court in determining whether the council's final action is supported by substantial evidence and not arbitrary and capricious.*

**Sec. 13. [473.192] [PLANNING ASSISTANCE, LOANS, GRANTS.]** *Subdivision 1. On the request of a local governmental unit, the council may provide assistance to accomplish the requirements of sections 1 to 18. It shall assemble and provide advisory materials and prepare model plan provisions and official controls to assist in accomplishing the provisions of sections 1 to 18.*

*Subd. 2. The council shall establish a planning assistance fund as a separate bookkeeping account in its general fund for the purpose of making grants and loans to local governmental units under this section. The council shall adopt uniform procedures for the award, disbursement and repayment of grants and loans.*

*Subd. 3. Applications for grants and loans shall be submitted to the council describing the activities for which the grant or loan funds will be used; the persons which the grantee or borrower plans to use in performing the grant contract; services and activities which will be paid for by funds of the grantee or borrower; the grantee or borrower's need and ability to pay for the contract services; and other information as the council may reasonably request. Grants and loans shall be made subject to contracts between the council and the recipient specifying the use and disbursement of the funds and, for loans, the terms and conditions of repayment, and other appropriate matters.*

*Subd. 4. The total amount of money which may be awarded by any grant shall not exceed 75 percent of the total costs and expenses of the project, service or activity for which the grant is awarded.*

*Subd. 5. [LOAN TERMS.] Loans made by the council shall carry an interest rate not to exceed five percent per annum and shall be payable on terms and conditions as the council determines appropriate. No loan shall be for a term in excess of five years. Funds received in payment of loans shall be credited to the planning assistance fund and shall be used for additional loans or grants under this section.*

*Sec. 14. [473.919] [EXTENSION.] A local governmental unit may by resolution request that the council extend the time for fulfilling the requirements of sections 1 to 18. A request for extension shall be accompanied by a description of the activities previously undertaken by a local governmental unit in fulfillment of the requirements of this act, and an explanation of the reasons necessitating and justifying the request. Upon a finding of exceptional circumstances or undue hardship, the council may, in its discretion, grant by resolution a request for extension and may attach reasonable requirements or conditions to the extension.*

*Sec. 15. [EXEMPTION FROM LEVY LIMIT.] Subdivision 1. The increased costs to a municipality of implementing section 6, subdivisions 1 to 3, and sections 7 to 10 shall be deemed a "special levy" under Minnesota Statutes, Section 275.50, Subdivision 5.*

*Subd. 2. The proceeds of any tax levied under this section shall be deposited in the municipal treasury in a separate fund and expended only for the purposes authorized by this section.*

*Sec. 16. [473.923] [SCHOOL DISTRICTS; CAPITAL IMPROVEMENT PROGRAMS.] Subdivision 1. By January 1, 1978, each school district lying in whole or in part within the metropolitan area shall prepare and submit to the metropolitan council for review pursuant to this section a capital improvements program for proposed new school sites, buildings, and building additions with a cost of more than \$200,000, including a description of the projected population of the district, facility needs and the effect of the program on affected local governmental units.*

*Subd. 2. Each school district shall submit its program for review and comment to the local government units lying in whole or in part within the district at least nine months prior to the submission of the*

program to the council. The local governmental units shall review the program and provide comments to the school districts, and the council within 90 days on the compatibility of the program with the proposed comprehensive plan of the local governmental unit.

*Subd. 3. The council shall review the capital improvement programs of school districts and subsequent amendments thereto. The council may review and comment on the apparent consistency of the capital improvement programs with the metropolitan system plans. Failure of the council to comment on the school districts program within 90 days after its submission shall be deemed council comment on the program.*

Sec. 17. Minnesota Statutes 1974, Section 462.355, is amended by adding a subdivision to read:

*Subd. 4. [INTERIM ORDINANCE.] If a municipality is conducting or in good faith intends to conduct studies within a reasonable time or has held or has scheduled a hearing for the purpose of considering adoption or amendment of a comprehensive plan or official controls as defined in section 2, or if new territory for which no plan or controls have been adopted is annexed to a municipality, the governing body of the municipality may adopt an interim ordinance applicable to all or part of its jurisdiction for the purpose of protecting the planning process and the health, safety and welfare of its citizens. The interim ordinance may regulate, restrict or prohibit any use or development within the jurisdiction for a period not to exceed one year from the date it is created, and may be renewed for one additional year.*

Sec. 18. [NEW MUNICIPAL SEWER SYSTEMS.] *Notwithstanding the provisions of sections 1 to 17, the council shall have no authority under Minnesota Statutes, Chapter 473 to require a local governmental unit to construct a new sewer system.*

Sec. 19. *This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.*

Sec. 20. [EFFECTIVE DATE.] *This act is effective on the day following its final enactment."*

Further, strike the title and insert:

*"A bill for an act relating to land planning in the metropolitan area; requiring local adoption of minimum plans and controls; providing for limited council review and acceptance prior to the adoption of such plans and controls; providing for an advisory metropolitan land planning committee; providing for the enforcement of adopted local plans and controls; including certain expenses in the definition of special levy; providing for interim zoning; amending Minnesota Statutes 1974, Section 462.355, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 473.175."*

And when so amended, H. F. No. 1530 will be identical to S. F. No. 1653 and further recommends that H. F. No. 1530 be given its second reading and substituted for S. F. No. 1653 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

### SECOND READING OF SENATE BILLS

S. F. Nos. 674 and 1876 were read the second time.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 369 and 1530 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Hanson, R. moved that the name of Mr. Merriam be added as co-author to S. F. No. 2043. The motion prevailed.

Mr. McCutcheon moved that the name of Mr. Doty be added as co-author to S. F. No. 1825. The motion prevailed.

Mr. Perpich, A. J. moved that the name of Mr. Perpich, G. be added as co-author to S. F. No. 2082. The motion prevailed.

Mr. Hansen, Baldy moved that the report from the Committee on Labor and Commerce, reported February 12, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hansen, Baldy moved that the foregoing report be now adopted. The motion prevailed.

### CONFIRMATION

Mr. Hansen, Baldy moved that in accordance with the report from the Committee on Labor and Commerce, reported February 12, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

### COMMISSIONER OF THE WORKMEN'S COMPENSATION COMMISSION

James Pomush, 7 West Golden Lake Road, Circle Pines, Anoka County, appointed effective July 1, 1975, for a term expiring July 1, 1981.

The motion prevailed. So the appointment was confirmed.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hansen, Baldy moved that the report from the Committee on Labor and Commerce, reported February 12, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hansen, Baldy moved that the foregoing report be now adopted. The motion prevailed.

Mr. Keefe, J. requested that the appointment to the Public Service Commission be divided out. So the question was divided.

**CONFIRMATION**

Mr. Hansen, Baldy moved that in accordance with the report from the Committee on Labor and Commerce, reported February 12, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

**WORKMEN'S COMPENSATION COMMISSIONER**

Robert B. McCarthy, 2356 Swan Drive, St. Paul, Ramsey County, appointed effective July 9, 1975, for a term expiring September 1, 1977.

**CABLE COMMUNICATIONS BOARD**

Jane Belau, 433 - 9th Avenue S.W., Rochester, Olmsted County, appointed effective July 18, 1975, for a term expiring January 1, 1978.

Eugene Abbott, 940 Albert, Crookston, Polk County, appointed effective January 1, 1976, for a term expiring January 1, 1980.

Virginia Greenman, 148 Prospect Boulevard, St. Paul, Ramsey County, appointed effective January 1, 1976, for a term expiring January 1, 1980.

Carl Williams, 320 East 44th Street, Minneapolis, Hennepin County, appointed effective January 7, 1976, for a term expiring January 1, 1978.

**COMMISSIONER OF THE DIVISION OF SECURITIES,  
DEPARTMENT OF COMMERCE**

John Larson, 2836 - 44th Avenue South, Minneapolis, Hennepin County, appointed effective June 2, 1975, for a term expiring January 1, 1979.

**OCCUPATIONAL SAFETY AND HEALTH REVIEW BOARD**

Kenneth Sovereign, 4415 Olson Lake Trail North, North St. Paul, Ramsey County, appointed effective August 29, 1975, for a term expiring August 29, 1981.

**COMMISSIONER OF THE DEPARTMENT OF  
ECONOMIC DEVELOPMENT**

Lee Vann, 3430 List Place, Minneapolis, Hennepin County, appointed effective December 1, 1975, for a term expiring January 1, 1979.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Mr. Hansen, Baldy moved that in accordance with the report from the Committee on Labor and Commerce, reported February 12, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

**PUBLIC SERVICE COMMISSION**

Katherine Sasseville, 10619 James Road, Bloomington, Hennepin County, appointed effective December 31, 1975, for a term expiring December 31, 1980.

The motion prevailed. So the appointment was confirmed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Conzemius moved that the report from the Committee on Health, Welfare and Corrections, reported February 9, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Conzemius moved that the foregoing report be now adopted. The motion prevailed.

**CONFIRMATION**

Mr. Conzemius moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported February 9, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

**STATE BOARD OF HEALTH**

Michael Keable, 909 North 6th Avenue, St. Cloud, Stearns County, appointed effective January 1, 1976, for a term expiring January 1, 1980.

Burton Magnuson, 4120 Dodge, Duluth, St. Louis County, has been appointed effective January 1, 1976, for a term expiring January 1, 1980.

The motion prevailed. So the appointments were confirmed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Conzemius moved that the report from the Committee on Health, Welfare and Corrections, reported February 9, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Conzemius moved that the foregoing report be now adopted. The motion prevailed.

**CONFIRMATION**

Mr. Conzemius moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported February 9, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

**GILLETTE HOSPITAL AUTHORITY**

Herbert G. Lancaster, 5345 Hodgson Road, St. Paul, Ramsey

County, appointed effective January 1, 1976, for a term expiring December 31, 1978.

The motion prevailed. So the appointment was confirmed.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Hughes moved that the report from the Committee on Education, reported February 12, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

#### **CONFIRMATION**

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported February 12, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

#### **STATE BOARD OF EDUCATION**

Erling O. Johnson, 832 Eastwood Lane, Anoka, Anoka County, appointed effective July 1, 1975, for a term expiring July 1, 1981.

The motion prevailed. So the appointment was confirmed.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Hughes moved that the report from the Committee on Education, reported February 12, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

#### **CONFIRMATION**

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported February 12, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

#### **STATE BOARD OF EDUCATION**

Ruth Myers, 635 Everett Street, Duluth, St. Louis County, appointed effective July 1, 1975, for a term expiring July 1, 1981.

Henry Bromelkamp, 2304 Lenwood Drive S. W., Rochester, Olmsted County, appointed effective July 1, 1975, for a term expiring July 1, 1981.

The motion prevailed. So the appointments were confirmed.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Hughes moved that the report from the Committee on

Education, reported February 12, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

#### CONFIRMATION

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported February 12, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

#### STATE BOARD FOR COMMUNITY COLLEGES

Dr. Joseph Norquist, 2087 Greenbriar Avenue, St. Paul, Ramsey County, appointed effective July 28, 1975, for a term expiring July 1, 1982.

The motion prevailed. So the appointment was confirmed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved to take up the General Orders Calendar and begin with Number 13. The motion prevailed.

#### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1848, 1865 and 830 which the committee recommends to pass.

And then, on motion of Mr. Gearty, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Stassen moved that the name of Mr. Conzemius be added as second author to S. F. No. 2062. The motion prevailed.

Mr. Stassen moved that the name of Mr. Conzemius be added as second author to S. F. No. 2061. The motion prevailed.

Mr. Schmitz moved that the names of Messrs. Renneke and Stokowski be added as co-authors to S. F. No. 692. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 11:45 o'clock a.m., Monday, February 16, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTIETH DAY

St. Paul, Minnesota, Monday, February 16, 1976

The Senate met at 11:45 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. William C. Hunt.

The roll being called, the following Senators answered to their names:

Arnold	Conzemius	Keefe, J.	North	Sillers
Ashbach	Davies	Keefe, S.	Ogdahl	Solon
Bang	Doty	Kirchner	Olhoff	Spear
Berg	Frederick	Kleinbaum	Olson, A. G.	Stokowski
Bernhagen	Gearty	Knutson	Olson, H. D.	Stumpf
Blatz	Hansen, Baldy	Kowalczyk	Olson, J. L.	Tennessee
Brataas	Hansen, Mel	Laufenburger	Patton	Ueland
Brown	Hanson, R.	McCutcheon	Perpich, G.	Wegener
Chenoweth	Hughes	Merriam	Purfeerst	Willet
Chmielewski	Humphrey	Milton	Renneke	
Coleman	Josefson	Nelson	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Anderson; Borden; Dunn; Fitzsimons; Jensen; Larson; Moe; Perpich, A. J.; Pillsbury and Schrom, were excused from the Session of today.

## INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Doty introduced—

S. F. No. 2133: A bill for an act relating to crime victims; reparations; eliminating a deduction clause in determining the amount of reparation; amending Minnesota Statutes 1974, Section 299B.04.

Referred to the Committee on Judiciary.

Mr. Pillsbury introduced—

S. F. No. 2134: A bill for an act relating to the city of Maple Grove; authorizing the city of Maple Grove to refund certain temporary improvement bonds.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Doty introduced—

S. F. No. 2135: A bill for an act creating a legislative commission to study the delivery of welfare and human services in Minnesota; appropriating money therefor.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Pillsbury introduced—

S. F. No. 2136: A bill for an act relating to taxation; adjusting population limits for communities exempt from levy limits; amending Minnesota Statutes, 1975 Supplement, Section 275.59.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Purfeerst; Olson, H. D. and Wegener introduced—

S. F. No. 2137: A bill for an act relating to taxation; providing for the valuation of agricultural land and buildings for the purpose of inheritance taxes; appropriating money; amending Minnesota Statutes 1974, Chapter 291, by adding a section; Sections 291.07, Subdivisions 1 and 2; and 291.18.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Purfeerst, Ashbach and Borden introduced—

S. F. No. 2138: A bill for an act relating to veterinary medicine; proscribing certain practices by unlicensed persons; authorizing practice by students in certain circumstances; changing the licensing fee; setting licensing standards; defining terms; amending Minnesota Statutes 1974, Sections 156.001, by adding a subdivision; 156.02, Subdivisions 1 and 2; 156.03; 156.04; 156.07; 156.072, Subdivision 1, and by adding subdivisions; and 156.12.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Purfeerst, Renneke and Conzemius introduced—

S. F. No. 2139: A bill for an act relating to taxation; eliminating requirement to pay tax and then seek refund of excise tax on exempt vehicles.

Referred to the Committee on Taxes and Tax Laws.

Mr. Solon introduced—

S. F. No. 2140: A bill for an act relating to community development information centers; providing for grants to qualifying centers; appropriating money.

Referred to the Committee on Education.

Messrs. Anderson, Blatz and Hughes introduced—

S. F. No. 2141: A bill for an act relating to taxation; adjusting calculations of taxable value of real property used in tax increment financing by deducting contributions to area-wide tax base; amending Minnesota Statutes 1974, Sections 462.585, Subdivisions 2 and 3; and 473F.02, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schrom; Olson, J. L. and Davies introduced—

S. F. No. 2142: A bill for an act relating to children; providing for parental civil liability when a minor child commits theft by shoplifting; amending Minnesota Statutes 1974, Chapter 540, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Solon and Doty introduced—

S. F. No. 2143: A bill for an act relating to tax forfeited lands; providing for disposition of the proceeds from the sale or rental of forfeited land or from the sale of products therefrom in St. Louis county.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Keefe, S.; Schaaf and Milton introduced—

S. F. No. 2144: A bill for an act relating to elections; providing for an increased income tax checkoff; providing for redistribution of moneys in the elections campaign fund; providing limitations on political contributions; amending Minnesota Statutes 1974, Sections 10A.27; 10A.30, Subdivision 2; 10A.31; and 10A.32, Subdivisions 2 and 4.

Referred to the Committee on Transportation and General Legislation.

Mr. Milton introduced—

S. F. No. 2145: A bill for an act relating to health care; removing nursing homes and boarding care homes from the Minnesota certificate of need act; amending Minnesota Statutes 1974, Section 145.75; and Minnesota Statutes, 1975 Supplement, Sections 145.72, Subdivision 2; and 145.74.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Josefson, Chmielewski and Olson, J. L. introduced—

S. F. No. 2146: A bill for an act relating to highways; authorizing the use by certain local business and religious establish-

ments of certain advertising devices on certain highways; amending Minnesota Statutes 1974, Sections 160.283, by adding a subdivision; and 160.284.

Referred to the Committee on Transportation and General Legislation.

Messrs. Solon, Doty and Kleinbaum introduced—

S. F. No. 2147: A bill for an act relating to intoxicating liquor; permits to sell upon military bases or installations.

Referred to the Committee on Labor and Commerce.

Messrs. Solon; Perpich, A. J. and Doty introduced—

S. F. No. 2148: A bill for an act relating to taxation; including cost of water filtration equipment in medical expense deduction; amending Minnesota Statutes 1974, Section 290.09, Subdivision 10.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Doty and Solon introduced—

S. F. No. 2149: A bill for an act relating to St. Louis county; revising the composition of the county welfare board; amending Laws 1907, Chapter 222, Section 1, Subdivisions 1 and 2, as amended; and Minnesota Statutes 1974, Section 393.01, Subdivision 5.

Referred to the Committee on Local Government.

Messrs. Doty and Solon introduced—

S. F. No. 2150: A bill for an act relating to St. Louis county; membership of county commissioners on boards and commissions; providing that there shall be four county commissioners on the St. Louis county building commission; amending Laws 1953, Chapter 389, Section 1, as amended.

Referred to the Committee on Local Government.

Messrs. Patton; Olson, H. D. and Purfeerst introduced—

S. F. No. 2151: A bill for an act relating to motor vehicles; registration and taxation; exempting certain vehicles from license fees; amending Minnesota Statutes, 1975 Supplement, Section 168.012, Subdivision 2b.

Referred to the Committee on Transportation and General Legislation.

Messrs. Patton; Olson, H. D. and Lewis introduced—

S. F. No. 2152: A bill for an act relating to anatomical gifts; eye enucleation; authorizing eye enucleation upon pronouncement of death by a physician; amending Minnesota Statutes, 1975 Supplement, Section 525.924, Subdivision 6.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Anderson, Sillers and Chmielewski introduced—

S. F. No. 2153: A bill for an act relating to taxation; restoring the ten percent rent credit for rent paid after December 31, 1974; appropriating money; amending Minnesota Statutes, 1975 Supplement, Sections 290.985; 290A.04, Subdivision 2; and 290A.21.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olson, H. D.; Patton and Purfeerst introduced—

S. F. No. 2154: A bill for an act relating to towns; providing for vacation of town roads by resolution of the town board; amending Minnesota Statutes 1974, Section 164.06.

Referred to the Committee on Local Government.

Messrs. Wegener and Willet introduced—

S. F. No. 2155: A bill for an act relating to United Hospital District, Staples, Minnesota; authorizing the issuance of general obligation bonds of the district without the consent of the governing bodies of the municipalities included in the district; excluding the bonds from the net debt of the district; and excluding taxes levied for the payment of the bonds from certain levy limitations.

Referred to the Committee on Local Government.

Messrs. Kleinbaum, Larson and Solon introduced—

S. F. No. 2156: A bill for an act relating to public safety; highway patrol; authorizing the commissioner of public safety to maintain certain aircraft; excepting certain personnel in the department of public safety from the requirement of reimbursing the state for the cost of using state-owned vehicles; amending Minnesota Statutes, 1975 Supplement, Section 16.753.

Referred to the Committee on Transportation and General Legislation.

Messrs. Kowalczyk; Hansen, Mel; and Brown introduced—

S. F. No. 2157: A bill for an act relating to elections; prohibiting certain expenditures; amending Minnesota Statutes

1974, Sections 10A.15, by adding a subdivision; and 10A.27, by adding a subdivision.

Referred to the Committee on Transportation and General Legislation.

Messrs. Hughes, Patton and Lewis introduced—

S. F. No. 2158: A bill for an act relating to education; providing that school boards control funds for extra-curricular activities; amending Minnesota Statutes 1974, Section 123.38, Subdivision 2.

Referred to the Committee on Education.

Mr. Perpich, G. introduced—

S. F. No. 2159: A bill for an act relating to taxation; imposing a temporary tax on taconite and iron sulphides; providing for the distribution of the proceeds of the tax; appropriating money; amending Minnesota Statutes 1974, Section 273.134, and Chapter 298, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 298.27.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hansen, Mel; Kleinbaum and Ueland introduced—

S. F. No. 2160: A bill for an act relating to crimes; defining conditions in which reparations are available to crime victims; appropriating money; amending Minnesota Statutes 1974, Section 299B.03, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Kleinbaum and Schrom introduced—

S. F. No. 2161: A bill for an act relating to intoxicating liquor; authorizing temporary short term on-sale licenses for a certain charitable festival.

Referred to the Committee on Labor and Commerce.

Messrs. Hansen, Mel; Lewis and Kleinbaum introduced—

S. F. No. 2162: A bill for an act relating to corrections; requiring the commissioner of corrections to develop a program to use dogs to detect the introduction of controlled substances into state correctional institutions; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. O'Neill; Keefe, S. and Hansen, Mel introduced—

S. F. No. 2163: A bill for an act relating to aeronautics; pro-

viding property owners reimbursement for decreased property values due to noise pollution from airlines; authorizing metropolitan airports commission to assess airlines; providing a hearing.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Hansen, Mel; Kowalczyk and Brown introduced—

S. F. No. 2164: A bill for an act relating to elections; limiting persons who may assist voters at the polling place; amending Minnesota Statutes, 1975 Supplement, Section 204A.34, by adding a subdivision.

Referred to the Committee on Transportation and General Legislation.

Mr. Humphrey introduced—

S. F. No. 2165: A bill for an act relating to highway traffic regulation; requiring courts to report to the commissioner of public safety a stay of imposition of sentence granted under provisions of law relating to driving while under the influence of drugs or alcoholic beverages; amending Minnesota Statutes 1974, Section 169.121, Subdivision 6.

Referred to the Committee on Judiciary.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1974: A bill for an act relating to courts; lapse of causes of action arising outside the state; amending Minnesota Statutes 1974, Section 541.14.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1973: A bill for an act relating to courts; time limitations on actions when party is outside the state; amending Minnesota Statutes 1974, Section 541.13.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1820: A bill for an act relating to Marshall county;

authorizing the establishment of a county law library to be supported by certain judicially imposed fee charges.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, after "a" insert "fee system for the"

Page 3, lines 12 and 15, strike "\$2" and insert "\$3"

Page 4, line 5, strike "\$2" and insert "\$3"

Further, amend the title as follows:

Page 1, line 3, strike "establishment of a"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2030: A bill for an act relating to elections; providing for the affidavits of candidacy of candidates for judicial office; amending Laws 1975, Chapter 5, Section 12, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, after line 3, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective the day following its final enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 1995: A bill for an act relating to education; eye protection requirements for certain industrial and scientific courses; defining industrial quality eye protective devices; amending Minnesota Statutes 1974, Section 126.20, Subdivision 6.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1763: A bill for an act relating to motor vehicle sales finance companies; establishing fees and permitting refunds of fees; requiring written agreements to extend, defer or renew contracts; amending Minnesota Statutes 1974, Sections 168.67; and 168.74.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 23, strike "1975" and insert "1976"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1764: A bill for an act relating to safe deposit companies; exempting savings associations from licensing and bonding requirements; examination fees; amending Minnesota Statutes 1974, Sections 55.06, Subdivision 1; and 55.095.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the title as follows:

Line 4, after "requirements;" insert "deleting a limitation on"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1762: A bill for an act relating to insurance; regulation of insurance premium finance companies; maintenance of records; charging examination fees; requiring reports; amending Minnesota Statutes 1974, Section 59A.06.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which were referred the following appointments as reported in the Journal for January 29:

#### **METROPOLITAN COUNCIL**

Gary Pagel

George Dahlvang

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was re-referred the following appointment as reported in the Journal for January 29, 1976:

#### **METROPOLITAN TRANSIT COMMISSION**

J. Douglas Kelm

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 1974, 1973, 1820, 2030, 1763, 1764 and 1762 were read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. No. 1995 was read the second time.

#### **MOTIONS AND RESOLUTIONS**

Mr. Humphrey moved that S. F. No. 1819 be withdrawn from the Committee on Labor and Commerce, and re-referred to the Committee on Health, Welfare and Corrections. The motion prevailed.

Mr. Josefson moved that the names of Messrs. Chmielewski and Jensen be added as co-authors to S. F. No. 1784. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 9:45 o'clock a.m., Thursday, February 19, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SEVENTY-FIRST DAY**

**St. Paul, Minnesota, Tuesday, February 17, 1976**

The House of Representatives met on Tuesday, February 17, 1976, which was the Seventy-First Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.

**SEVENTY-SECOND DAY**

**St. Paul, Minnesota, Wednesday, February 18, 1976**

The House of Representatives met on Wednesday, February 18, 1976, which was the Seventy-Second Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.

## SEVENTY-THIRD DAY

St. Paul, Minnesota, Thursday, February 19, 1976

The Senate met at 9:45 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Brown	Hansen, Baldy	Moe	Schmitz
Arnold	Coleman	Hansen, Mel	Olhoff	Schrom
Ashbach	Conzemius	Hanson, R.	Olson, A. G.	Solon
Bang	Davies	Josefson	Olson, J. L.	Spear
Berg	Doty	Keefe, S.	Patton	Stokowski
Bernhagen	Dunn	Kowalczyk	Perpich, A. J.	Stumpf
Blatz	Fitzsimons	Larson	Pillsbury	Ueland
Borden	Frederick	Laufenburger	Purfeerst	Wegener
Brataas	Gearty	Milton	Renneke	Willet

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Jim Leary. The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, S.	Olhoff	Sillers
Arnold	Doty	Kleinbaum	Olson, A. G.	Solon
Ashbach	Dunn	Knutson	Olson, H. D.	Spear
Bang	Fitzsimons	Kowalczyk	Olson, J. L.	Stassen
Berg	Frederick	Larson	O'Neill	Stokowski
Bernhagen	Gearty	Laufenburger	Patton	Stumpf
Blatz	Hansen, Baldy	Lewis	Perpich, A. J.	Tennessen
Borden	Hansen, Mel	McCutcheon	Pillsbury	Ueland
Brataas	Hanson, R.	Merriam	Purfeerst	Wegener
Brown	Hughes	Milton	Renneke	Willet
Chmielewski	Humphrey	Moe	Schaaf	
Coleman	Jensen	Nelson	Schmitz	
Conzemius	Josefson	Ogdahl	Schrom	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Chenoweth; Keefe, J.; Kirchner; North and Perpich, G. were excused from the Session of today. Mrs. Brataas was excused from the Session of today at 11:30 o'clock a.m. Mr. Stassen was excused from the Session of today until 12:00 o'clock noon. Mr.

Tennessen was excused from the Session of today from 10:30 o'clock a.m. until 1:00 o'clock p.m. Mr. Olson, J. L. was excused from the Session of today at 11:15 o'clock a.m.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 17, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Mrs. Marion Watson, 2140 West Hoyt Avenue, St. Paul, Ramsey County, has been appointed by me to the Pollution Control Agency, effective February 15, 1976, for a term expiring February 15, 1980.

Joseph Grinnell, 2901 Idylwood Drive, Edina, Hennepin County, has been appointed by me to the Pollution Control Agency, effective February 15, 1976, for a term expiring February 15, 1980.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Natural Resources and Agriculture.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Jensen, Knutson and Josefson introduced—

S. F. No. 2166: A bill for an act relating to courts; limiting defendant's obligation to pay filing fees; amending Minnesota Statutes 1974, Sections 357.021, Subdivision 2; 488.13, Subdivision 1; and 488A.03, Subdivision 11.

Referred to the Committee on Judiciary.

Messrs. Stokowski and Keefe, S. introduced—

S. F. No. 2167: A bill for an act relating to eminent domain; time of title and possession; providing that certain payments deposited with the court shall not draw interest; amending Minnesota Statutes, 1975 Supplement, Section 117.042.

Referred to the Committee on Judiciary.

Mr. Willet introduced—

S. F. No. 2168: A bill for an act authorizing the conveyance of lands and structures comprising Count Beltrami state monument

to the town of Turtle Lake in Beltrami county; specifying the terms and conditions of such conveyance.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Wegener and Coleman introduced—

S. F. No. 2169: A bill for an act relating to mobile homes; providing certain procedures for repossession of mobile homes; amending Minnesota Statutes 1974, Section 336.9-104.

Referred to the Committee on Judiciary.

Mr. Wegener introduced—

S. F. No. 2170: A bill for an act relating to towns; adoption of optional form of government; amending Minnesota Statutes, 1975 Supplement, Section 367.31, Subdivision 2.

Referred to the Committee on Local Government.

Mr. Wegener introduced—

S. F. No. 2171: A bill for an act relating to unemployment compensation; providing that benefits for an employee voluntarily terminating employment without good cause not be paid to the employee until he has become re-employed; amending Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Olhoft and Olson, A. G. introduced—

S. F. No. 2172: A bill for an act relating to highways; designating and establishing the route of the "Glacial Ridge Trail"; amending Minnesota Statutes 1974, Section 161.14, Subdivision 15.

Referred to the Committee on Transportation and General Legislation.

Messrs. Merriam, Stassen and Spear introduced—

S. F. No. 2173: A bill for an act relating to Minnesota culture; preserving and presenting Minnesota folklife.

Referred to the Committee on Transportation and General Legislation.

Mr. Solon introduced—

S. F. No. 2174: A bill for an act relating to intoxicating liquor; importation of limited quantities without payment of tax; amending Minnesota Statutes 1974, Section 340.601.

Referred to the Committee on Labor and Commerce.

Messrs. Olson, A. G.; Kirchner and Keefe, S. introduced—

S. F. No. 2175: A bill for an act relating to medical assistance for the needy; allowing the cost of certain home care services provided by public health nurses to be paid by medical assistance; authorizing an experimental program for the cost of home care of the elderly; amending Minnesota Statutes 1974, Chapter 256B, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 256B.02, Subdivision 7.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Brown introduced—

S. F. No. 2176: A bill for an act relating to education; providing equal access to special programs; appropriating money.

Referred to the Committee on Education.

Messrs. Stokowski, Gearty and Ogdahl introduced—

S. F. No. 2177: A bill for an act relating to retirement; miscellaneous amendments to the public employees retirement law; providing for a medical adviser in disability cases; amending Minnesota Statutes 1974, Sections 353.01, Subdivisions 2b, 16, and 30; 353.03, by adding a subdivision; 353.27, Subdivision 7; 353.30, Subdivision 3; 353.33, Subdivision 11, and by adding subdivisions; 353.34, Subdivision 6; 353.35; 353.656, Subdivision 6; and Minnesota Statutes, 1975 Supplement, Sections 353.01, Subdivision 24; 353.15; and 353.29, Subdivision 7.

Referred to the Committee on Governmental Operations.

Messrs. Laufenburger, O'Neill and Schrom introduced—

S. F. No. 2178: A bill for an act relating to taxation; providing for the property tax classification of homesteads of surviving spouses of veterans; amending Minnesota Statutes 1974, Section 273.13, Subdivision 7, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Humphrey introduced—

S. F. No. 2179: A bill for an act relating to courts; authorizing the appointment of judicial officers in Hennepin county municipal court; establishing salary limitations; amending Minnesota Statutes 1974, Chapter 488A, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Gearty, North and Ogdahl introduced—

S. F. No. 2180: A bill for an act relating to housing and redevelopment authorities; allowing employees and commissioners

to purchase a principal residence in a housing and redevelopment authority project; amending Minnesota Statutes 1974, Section 462.431.

Referred to the Committee on Governmental Operations.

Messrs. Anderson, Ueland and Wegener introduced—

S. F. No. 2181: A bill for an act relating to education; extending school services for handicapped children; amending Minnesota Statutes 1974, Section 120.17, Subdivision 2; and Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1.

Referred to the Committee on Education.

Messrs. McCutcheon and Chenoweth introduced—

S. F. No. 2182: A bill for an act relating to retirement; membership of the board of trustees of the public employees retirement fund; amending Minnesota Statutes 1974, Section 353.03, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Blatz, Kirchner and Bang introduced—

S. F. No. 2183: A bill for an act relating to the city of Bloomington; housing and redevelopment authority; rental assistance; home improvement loans and grants; amending Laws 1971, Chapter 616, Sections 1 and 2.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Berg; Olson, J. L. and Blatz introduced—

S. F. No. 2184: A bill for an act relating to taxation; providing for an annually adjustable commodities inflation credit against income taxes; amending Minnesota Statutes 1974, Section 290.06, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kowalczyk, Kirchner and Merriam introduced—

S. F. No. 2185: A bill for an act relating to taxation; providing an income tax credit for driving a motor vehicle in a car pool; amending Minnesota Statutes 1974, Section 290.06, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kowalczyk, Stassen and Hansen, Mel introduced—

S. F. No. 2186: A bill for an act relating to taxation; providing that amounts paid as social security taxes be excluded from

gross income for purposes of income tax calculations; amending Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olhoft, Doty and Milton introduced—

S. F. No. 2187: A bill for an act relating to highway traffic regulations; prohibiting driving, operating, or being in actual physical control of a vehicle while impaired by an alcoholic beverage; prescribing penalties; amending Minnesota Statutes 1974, Section 169.121, Subdivisions 2, 3 and 4; Minnesota Statutes, 1975 Supplement, Section 169.121, Subdivision 1; and repealing Minnesota Statutes 1974, Section 169.121, Subdivision 5.

Referred to the Committee on Judiciary.

Messrs. Conzemius and North introduced—

S. F. No. 2188: A bill for an act relating to health; prohibiting sale and use of certain chemicals; providing penalties.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Hughes and Brown introduced—

S. F. No. 2189: A bill for an act relating to Independent School Districts No. 834, No. 832 and No. 833; instruction to pupils from other districts; authorizing the districts to enter into agreements for the furnishing of instruction to non-resident pupils.

Referred to the Committee on Education.

Messrs. Berg and Renneke introduced—

S. F. No. 2190: A bill for an act relating to elections; regulating the use of the term "independent"; amending Minnesota Statutes, 1975 Supplement, Section 202A.11, Subdivision 2.

Referred to the Committee on Transportation and General Legislation.

Messrs. Hansen, Baldy; Hanson, R. and Schrom introduced—

S. F. No. 2191: A bill for an act relating to taxation; providing that inheritance tax due on agricultural property may be paid over a five-year period; providing a credit against the tax due if the taxpayer retains and farms the property; amending Minnesota Statutes 1974, Section 291.11, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, S.; Bang and Doty introduced—

S. F. No. 2192: A bill for an act relating to commerce; regulating the sale of motor vehicle fuel; providing a penalty; amending Minnesota Statutes 1974, Chapter 325, by adding sections.

Referred to the Committee on Labor and Commerce.

Messrs. Olhoft, Schaaf and Milton introduced—

S. F. No. 2193: A bill for an act relating to highway traffic regulations; driving under the influence of an alcoholic beverage; providing penalties for subsequent violations; amending Minnesota Statutes 1974, Section 169.121, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Olson, J. L.; Olson, H. D. and Berg introduced—

S. F. No. 2194: A bill for an act relating to education; transportation of children; requiring the installation of intercommunication systems in school buses.

Referred to the Committee on Education.

Messrs. Olhoft, Patton and Hansen, Baldy introduced—

S. F. No. 2195: A bill for an act relating to cities; authorizing cities engaged in electric power distribution to secure electric power by individual or joint action; authorizing the creation of municipal power agencies; defining their powers and responsibilities; authorizing the issuance of bonds.

Referred to the Committee on Labor and Commerce.

Mr. Chmielewski introduced—

S. F. No. 2196: A bill for an act relating to the civil service system in St. Louis county; increasing the number of members on the civil service commission; amending Laws 1941, Chapter 423, Section 2, as amended.

Referred to the Committee on Local Government.

Mr. Chenoweth introduced—

S. F. No. 2197: A bill for an act relating to the metropolitan sports area commission; providing for the payment of general obligation bonds; extending a tax on admissions to events at the sports area.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Kirchner introduced—

S. F. No. 2198: A bill for an act relating to the city of Richfield; exempting the director of public safety from membership in the policemen's relief association; amending Laws 1965, Chapter 458, Section 5.

Referred to the Committee on Governmental Operations.

Messrs. Spear, Humphrey and Knutson introduced—

S. F. No. 2199: A bill for an act relating to highway traffic regulations; requiring a notice to respond to a summons made to a person charged with a non-moving traffic violation to be made by personal service or certified mail; prohibiting issuance of a warrant for the arrest of a person charged with a non-moving traffic violation unless an affidavit of personal service of the notice to respond to a summons is made or a receipt evidencing service of such notice by certified mail is obtained; amending Minnesota Statutes 1974, Section 492.04, Subdivision 5.

Referred to the Committee on Judiciary.

Messrs. Moe; Perpich, G. and Willet introduced—

S. F. No. 2200: A bill for an act appropriating money to the commissioner of natural resources for mineland reclamation purposes.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Kleinbaum introduced—

S. F. No. 2201: A bill for an act relating to the city of Sauk Rapids; fireman's lump sum service pensions; amending Laws 1973, Chapter 481, Section 1.

Referred to the Committee on Governmental Operations.

Mr. Olson, A. G. introduced—

S. F. No. 2202: A bill for an act relating to the issuance and execution of search warrants; requiring a hearing upon demand prior to execution of a search warrant against a third party not suspected of a crime.

Referred to the Committee on Judiciary.

Messrs. Keefe, J.; Milton and Knutson introduced—

S. F. No. 2203: A bill for an act relating to taxation; providing for an income tax credit for handicapped claimants and dependents; permitting deduction for costs incurred for care of handicapped; amending Minnesota Statutes 1974, Section 290.09, Subdivision 10; and Minnesota Statutes, 1975 Supplement, Section 290.06, Subdivision 3c.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, J.; Spear and Nelson introduced—

S. F. No. 2204: A bill for an act relating to appropriations; appropriating funds to reimburse Hennepin county for certain adoption expenses.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Davies and Knutson introduced—

S. F. No. 2205: A bill for an act relating to medical malpractice; limiting the liability of a health care provider who discloses to his patient the existence of a medically induced injury.

Referred to the Committee on Judiciary.

Mr. Olhoft introduced—

S. F. No. 2206: A bill for an act relating to the city of Fergus Falls; firemen's service pensions; amending Laws 1971, Chapter 2, Section 1.

Referred to the Committee on Governmental Operations.

Mr. Arnold introduced—

S. F. No. 2207: A bill for an act relating to state lands; procedure for timber sales; amending Minnesota Statutes, 1975 Supplement, Section 90.101, Subdivision 1.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Tennessen, Knutson and Humphrey introduced—

S. F. No. 2208: A bill for an act relating to courts; providing for continuous district court terms in all counties; providing that retired district court judges be reimbursed for expenses incurred while acting as district judges; authorizing additional power to judges of county court; requiring certain distributions of Minnesota Statutes and Session Laws; amending Minnesota Statutes 1974, Sections 484.08; 484.09, as amended; 484.11; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.62; 648.39, Subdivision 1; and Chapter 487, by adding a section; repealing Minnesota Statutes 1974, Section 490.025, Subdivision 8.

Referred to the Committee on Judiciary.

Messrs. Hansen, Mel; Berg and Stassen introduced—

S. F. No. 2209: A bill for an act relating to elections; permitting use of "nonpartisan" designation for certain candidates; amending Minnesota Statutes, 1975 Supplement, Section 203A.34.

Referred to the Committee on Transportation and General Legislation.

Messrs. Moe, Fitzsimons and Sillers introduced—

S. F. No. 2210: A bill for an act relating to Red River watershed; authorizing watershed districts which are members of the lower Red River watershed management board to levy a tax; authorizing the management board to institute certain projects; allowing the board to enter certain intergovernmental agreements.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Gearty introduced—

S. F. No. 2211: A bill for an act relating to the city of Minneapolis park board; permitting the appointment of an administrative assistant.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Laufenburger, Chmielewski and Solon introduced—

S. F. No. 2212: A resolution urging Congress, the President and the Internal Revenue Service to adopt comprehensible income tax laws and return forms as a special Bicentennial Memorial.

Referred to the Committee on Taxes and Tax Laws.

Mr. McCutcheon introduced—

S. F. No. 2213: A bill for an act relating to crimes; providing increased sentences for persons convicted of certain second or subsequent violations of theft; prescribing penalties; amending Minnesota Statutes 1974, Section 609.52, Subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Hansen, Mel; Ogdahl and Stokowski introduced—

S. F. No. 2214: A bill for an act relating to retirement; pre-retirement orientation and planning sessions.

Referred to the Committee on Governmental Operations.

Mr. Knutson introduced—

S. F. No. 2215: A bill for an act relating to hospitalization and commitment; establishing guidelines for physician's statement; providing probable cause for commitment hearing; providing for termination of criminal jurisdiction; providing definitions; amending Minnesota Statutes 1974, Sections 253A.02, by adding subdivisions; 253A.04, Subdivision 3; 253A.07, Subdivisions 1, 2, 8, 13, 14 and 30; 253A.17, Subdivision 7.

Referred to the Committee on Judiciary.

Mr. Moe introduced—

S. F. No. 2216: A bill for an act relating to natural resources; limiting the authority of eminent domain; stating a general policy concerning the exploration and mining of copper or nickel; requiring a completed environmental impact statement if necessary before commencing certain preliminary mining activities; prescribing certain environmental permits and quality standards and the costs thereof; prohibiting the construction or operation of copper or nickel smelters; prohibiting open pit mines for removing copper or nickel; prohibiting any copper or nickel mining activity from an area within and surrounding the boundary waters canoe area; providing that certain information required concerning the prospecting and mining of certain minerals be public information; clarifying the mineland reclamation policies, variance standards, and permit and appeal procedures; designating the South Kawishiwi River for inclusion within the wild and scenic river system; amending Minnesota Statutes 1974, Sections 93.05, Subdivision 3; 93.08, Subdivisions 1, 2, 3, and by adding subdivisions; 93.10; 93.11; 93.14; 93.24, Subdivision 1; 93.44; 93.48; 93.481, Subdivision 1; 93.50; 93.51, Subdivision 1; and Chapter 93, by adding sections; repealing Minnesota Statutes 1974, Sections 93.08, Subdivision 4; 93.09; 93.25; 93.26; 93.27; 93.28; and 93.43.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Moe and Davies introduced—

S. F. No. 2217: A bill for an act proposing an amendment to the Minnesota Constitution, Article X, Section 6, taxation imposed on persons engaged in the mining, production or beneficiation of copper, copper-nickel, or nickel.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Moe, by request, introduced—

S. F. No. 2218: A bill for an act relating to game and fish; increasing certain license fees; amending Minnesota Statutes 1974, Sections 98.46, Subdivisions 2, 4, 5, 7, 8, 9, 14, 15, 16, 17 and 19; and 101.44; repealing Minnesota Statutes 1974, Section 84.14, Subdivisions 1, 2, 3, 4 and 6.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Coleman, by request, introduced—

S. F. No. 2219: A bill for an act relating to education; authorizing Independent School District No. 625 to issue bonds for the purpose of correcting cash flow problems and for other purposes; requiring a tax levy in certain years to eliminate the operating debt of the district.

Referred to the Committee on Education.

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 370, 1510, 1541 and 1584.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 17, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1439: A bill for an act relating to agriculture; dividing the state into four regions for purposes of the potato industry promotion act; amending Minnesota Statutes 1974, Section 30.464, Subdivision 1.

Senate File No. 1439 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 17, 1976

## CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 1439 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1439 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Humphrey	Ogdahl	Schmitz
Arnold	Conzemius	Jensen	Olhofft	Schrom
Ashbach	Davies	Josefson	Olson, A. G.	Sillers
Bang	Doty	Keefe, S.	Olson, H. D.	Solon
Berg	Dunn	Kleinbaum	Olson, J. L.	Spear
Bernhagen	Fitzsimons	Kowalczyk	Patton	Stokowski
Blatz	Gearty	Larson	Perpich, A. J.	Stumpf
Borden	Hansen, Baldy	Laufenburger	Pillebury	Tennessen
Brataas	Hansen, Mel	Lewis	Purfeerst	Ueland
Brown	Hanson, R.	McCutcheon	Renneke	Wegener
Chmielewski	Hughes	Moe	Schaaf	Willet

So the bill, as amended, was repassed and its title was agreed to.

## MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1501: A bill for an act relating to game and fish; regulating entry on agricultural lands for taking big game; providing a penalty; amending Minnesota Statutes 1974, Section 100.273.

Senate File No. 1501 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 17, 1976

## CONCURRENCE AND REPASSAGE

Mr. Willet moved that the Senate concur in the amendments by the House to S. F. No. 1501 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1501: A bill for an act relating to game and fish; regulating entry on agricultural lands for taking small or big game; providing a penalty; amending Minnesota Statutes 1974, Section 100.273.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Jensen	Ogdahl	Schmitz
Arnold	Davies	Josefson	Olhoft	Schrom
Ashbach	Doty	Keefe, S.	Olson, A. G.	Sillers
Bang	Dunn	Kleinbaum	Olson, H. D.	Solon
Berg	Fitzsimons	Knutson	Olson, J. L.	Spear
Bernhagen	Frederick	Kowalczyk	O'Neill	Stokowski
Blatz	Gearty	Larson	Patton	Stumpf
Borden	Hansen, Baldy	Laufenburger	Perpich, A. J.	Tennesen
Brataas	Hansen, Mel	Lewis	Pillsbury	Ueland
Brown	Hanson, R.	McCutcheon	Purfeerst	Wegener
Chmielewski	Hughes	Milton	Renneke	Willet
Coleman	Humphrey	Moë	Schaaf	

So the bill, as amended, was repassed and its title was agreed to.

## MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has taken from the table H. F. No. 943, which had been laid on the table pursuant to Joint Rule 23A.

H. F. No. 943: A bill for an act relating to cable communications; making the cable communications commission a permanent part of the department of administration; authorizing the commission to promulgate a line extension policy; interconnection; orders; municipal cable systems; information gathering; permitting counties to establish translator systems; amending Minnesota Statutes 1974, Sections 238.02, Subdivision 11; 238.04, Subdivision 1; 238.05, Subdivisions 2, 6, 7, 12, and by adding a subdivision; 238.06, Subdivision 1; 238.08, Subdivisions 1, 2 and 3; 238.09, Subdivisions 3 and 6, and by adding subdivisions; 238.13; and 375.164; repealing Minnesota Statutes 1974, Sections 238.05, Subdivisions 8 and 16; and 238.09, Subdivision 2.

The House appointed a Conference Committee of three members as follows:

McCarron; Kelly, W. and Osthoff.

The House respectfully requests that a Conference Committee of three members be appointed by the Senate.

House File No. 943 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 18, 1976

Mr. Anderson moved that H. F. No. 943 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 19: A house concurrent resolution providing that either house may adjourn from February 19 until February 25, 1976.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 16, 1976

Mr. Coleman moved that House Concurrent Resolution No. 19 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 18: A house concurrent resolution designating the National Conference of State Legislatures as an instrumentality of the State of Minnesota.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 18, 1976

Referred to the Committee on Rules and Administration.

**Mr. President:**

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 402, 832, 1435, 2005, 1271, 1333 and 920.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 17, 1976

**Mr. President:**

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1751, 1767, 1828, 1829, 2041 and 2043.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 18, 1976

**Mr. President:**

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a new Conference Committee of five members on House File No. 1199 and the re-reference of said bill to that committee for further consideration.

H. F. No. 1199: A bill for an act relating to treatment of alcohol and drug abuse; providing for programs of intervention and treatment for employees and underserved groups; appropriating money; amending Minnesota Statutes 1974, Section 254A.02, by adding subdivisions; and Chapter 254A, by adding sections.

The committee on the part of the House consists of:

Clawson, Berglin, Forsythe, Samuelson and Rice.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 18, 1976

#### **FIRST READING OF HOUSE BILLS**

The following bills were read for the first time and referred to the committees indicated.

H. F. No. 402: A bill for an act relating to natural resources; defining the term conviction for the purposes of game and fish laws; amending Minnesota Statutes 1974, Section 97.40, by adding a subdivision.

Referred to the Committee on Rules and Administration.

H. F. No. 832: A bill for an act relating to gambling; prohibiting the keeping of gambling records or devices; increasing the penalty for certain gambling violations; providing for confiscation of gam-

bling devices; provides exemptions from the prohibition on possession of gambling devices; amending Minnesota Statutes 1974, Sections 325.54, by adding subdivisions; 609.76; and Chapter 609, by adding a section.

Referred to the Committee on Judiciary.

H. F. No. 1435: A bill for an act relating to game and fish; taking of animals by falconry; amending Minnesota Statutes 1974, Section 100.27, Subdivision 8.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 2005: A bill for an act relating to veterans affairs; changing the membership of the board of governors of the Big Island Veterans Camp; specifying persons eligible for benefits; providing duties of the board of governors; amending Minnesota Statutes 1974, Sections 197.14, 197.15 and 197.17.

Referred to the Committee on Rules and Administration.

H. F. No. 1271: A bill for an act relating to labor and employment; providing for transfer of pension or retirement fund contributions; amending Minnesota Statutes 1974, Section 179.254, Subdivision 2.

Referred to the Committee on Governmental Operations.

H. F. No. 1333: A bill for an act relating to coroners; providing for fees and traveling expenses; prohibiting interference with a dead body or the scene of death; prescribing penalties; amending Minnesota Statutes 1974, Sections 357.11; and 390.11, Subdivision 8.

Referred to the Committee on Rules and Administration.

H. F. No. 920: A bill for an act relating to recreation; environmental preservation and energy conservation; conserving human and natural resources by promoting health and recreation and abating environmental pollution by encouraging the use of bicycles; providing for a bicycle registration system, and prescribing the powers and duties of the commissioner of public safety in relation thereto; directing the commissioner of public safety to study the use of bicycles on streets, highways, bicycle ways and bicycle lanes; prescribing a model bicycle ordinance for political subdivisions; directing the commissioner of natural resources to develop a plan for an interconnecting system of bicycle trails; providing for the construction of bicycle lanes or ways using federal funds; prescribing penalties; and appropriating money.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 1751: A bill for an act relating to game and fish; firearms permissible for taking wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 9.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 1767: A bill for an act relating to bingo; providing penalties; amending Minnesota Statutes 1974, Section 609.75, Subdivision 3; repealing Minnesota Statutes 1974, Chapter 349.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 1828: A bill for an act relating to industrial loan and thrift companies; requiring approval of name by commissioner of banks; regulating renewals of loans and refunds of interest or discounts; amending Minnesota Statutes 1974, Sections 53.03, by adding a subdivision; and 53.07; and Minnesota Statutes, 1975 Supplement, Section 53.04.

Referred to the Committee on Labor and Commerce.

H. F. No. 1829: A bill for an act relating to insurance; regulation of insurance premium finance companies; maintenance of records; charging examination fees; requiring reports; amending Minnesota Statutes 1974, Section 59A.06.

Referred to the Committee on Rules and Administration.

H. F. No. 2041: A bill for an act relating to the elderly; establishing a state policy for older citizens dependent on long-term care and treatment.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 2043: A bill for an act relating to elections; providing for uniform reporting dates for campaign disclosure forms; providing for disclosure of campaign contributions and expenditures of political committees and candidates for local office; amending Minnesota Statutes 1974, Chapters 123, 373, and 471, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 210A.01, Subdivisions 1, 5, 6, 8, 9, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27, Subdivision 1; 210A.29; 210A.32; 210A.33; Chapter 210A, by adding sections; repealing Minnesota Statutes, 1975 Supplement, Sections 123.015; 210A.01, Subdivisions 4 and 7; 210A.22; 210A.28; and 210A.31.

Referred to the Committee on Transportation and General Legislation.

**REPORTS OF COMMITTEES**

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

S. F. No. 1223: A bill for an act relating to public welfare; authorizing grants for programs of child care services; altering allocations of grants; authorizing child care service areas and agencies; amending Minnesota Statutes 1974, Sections 245.83, Subdivisions 2 and 5, and by adding subdivisions; 245.84; 245.85; 245.86; 245.87; and Chapter 245, by adding a section.

Reports the same back with the recommendation that the report from the Committee on Health, Welfare and Corrections reported in the Journal for April 23, 1975 that "When so amended the bill do pass and be re-referred to the Committee on Finance" be not adopted and the bill be returned to the Committee on Health, Welfare and Corrections. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1949: A bill for an act relating to motor vehicles; authorizing the issuance of special license plates to physically handicapped persons; amending Minnesota Statutes, 1975 Supplement, Section 168.021, Subdivisions 1 and 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred

S. F. No. 661: A bill for an act relating to elections; requiring the secretary of state to train all election officials.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, strike "must" and insert "shall"

Page 1, line 7, strike "by the secretary of state" and insert "as provided in this section"

Page 1, line 8, after "promulgate" insert "in accordance with chapter 15"

Page 1, line 14, strike "Further,"

Page 2, line 5, strike "1975" and insert "1976"

Further, amend the title as follows:

Page 1, line 2, strike "requiring the secretary of" and insert "providing for training of all election officials; imposing duties on the secretary of state and county auditors."

Page 1, strike line 3

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred

S. F. No. 1252: A bill for an act relating to the blind; providing for vending stands and machines to be operated by the blind on property of state governmental subdivisions; amending Minnesota Statutes 1974, Section 248.07, Subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 8, after "*property*" insert "*exclusively*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

H. F. No. 933: A bill for an act relating to elections; requiring that uncontested nonpartisan offices appear at the end of the ballot; amending Laws 1975, Chapter 5, Section 55, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike "Laws 1975, Chapter 5, Section 55" and insert "Minnesota Statutes, 1975 Supplement, Section 203A.33"

Further amend the title as follows:

Page 1, line 4, strike "Laws 1975, Chapter 5, Section 55" and insert "Minnesota Statutes, 1975 Supplement, Section 203A.33"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 682: A bill for an act relating to commerce; requiring repair orders and invoices for repairs; regulating estimates; providing penalties.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.] Subdivision 1. "Repairs" means work performed on malfunctioning, defective or worn property, real or personal, used primarily for personal, family or household purposes and not for business or agricultural purposes, where the total price is more than \$50 and less than \$2,000.

Subd. 2. "Shop" means individuals, corporations, partnerships, and any other form of business organization which derives income, in whole or part, by engaging in the repair business.

Subd. 3. "Estimate" means an oral or written approximation of the price of repairs given by a shop to a customer or prospective customer prior to commencement of the repairs.

Subd. 4. "Customer" means a customer and the agents of a customer.

Sec. 2. [REPAIR ORDER; INVOICE.] Subdivision 1. Whenever a shop proposes to make repairs for a customer the shop shall furnish, prior to commencement of repairs, a copy of a written repair order to the customer describing the repairs to be made. The repair order shall be signed by the shop. If the customer presents the goods outside of normal business hours, the shop shall deliver the repair order to the customer personally when the customer removes the goods or at such earlier time as the customer appears at the shop and requests the repair order. If the customer removes the goods outside of normal business hours and has not obtained the repair order, the shop shall mail the repair order to the customer within two business days after removal. Upon notification of his right to a repair order the customer may waive this right.

Subd. 2. The repair order may be specific or general. The shop may list on the repair order the specific parts and the specific labor that it will supply or the shop may describe on the repair order the general condition that it will repair.

(a) If the repair order lists specific parts and labor to be supplied, the shop is authorized to supply and charge only for those parts and labor listed in the repair order. The shop shall not be authorized and shall not charge for parts or labor not already listed on the repair order unless the customer authorizes the additional parts or labor not already listed on the repair order. The customer may authorize additional parts or labor orally or in writing.

(b) If the repair order describes the general condition that will be repaired, the shop shall be authorized to perform and charge for all parts and labor the shop deems necessary to repair the condition described on the repair order. The shop shall not be authorized and shall not charge for parts or labor supplied to repair any condition other than that described on the repair order unless the customer authorizes the additional repairs not already described on the repair order. The customer may authorize additional repairs orally or in writing.

Subd. 3. A shop shall state on its repair order, if one is given, its charge to the customer, or the basis upon which it will be calculated, for an estimate, diagnostic service, work preliminary to a diagnosis, reassembly of the unrepaired item, or release of the item in the event it is not repaired. The charge for a service call shall be stated in absolute terms.

Subd. 4. Upon completion of all repairs, each shop shall provide each customer with a copy of a dated invoice for the work done. If the customer removes the goods outside of normal business hours, the shop

shall mail the invoice to the customer within two business days after the removal. The information which is required to be on the invoice may be placed on the face of the repair order, which then may be used as an invoice. The invoice shall contain the following information except when a general work order has been provided pursuant to section 2, subdivision 2:

(a) A description of all service work done and parts supplied, including all warranty work;

(b) The estimated price, if any was given;

(c) A detailed itemization of the charges for parts, labor, incidentals, the making of an estimate, the release of the item, service call charge, and any other charges imposed upon the customer; and

(d) A statement specifying which parts, if any, are used, rebuilt, or reconditioned if that information is known by the shop.

**Sec. 3. [COSTS AND ESTIMATES.]** Subdivision 1. A shop is not required to give an estimate to any customer or prospective customer, and a repair order may be silent as to the price of repairs described on the repair order.

Subd. 2. If a shop gives an estimate, the shop shall inform the customer or prospective customer, in the same form in which the estimate is given, that the estimate is only an approximation of the price and that the price may be greater than the estimate. If the estimate is in writing, the required disclosure shall be made in a conspicuous manner on the repair order in the immediate proximity of the estimate.

Subd. 3. A shop may make a reasonable charge for an estimate, diagnostic service, work preliminary to a diagnosis, reassembly of an unrepaired item, service call, or release of an item in the event it is not required. Such a charge, or the basis upon which it will be calculated, shall be disclosed to the customer prior to the performance of any act which would impose a charge upon the customer. The disclosure shall clearly state whether the charge will be credited toward the total cost of the repairs. The charge shall be included in the shop's estimate.

Subd. 4. Repairs for which the shop estimated the price to be less than \$50, yet exceed that amount, fall within the scope of sections 1 to 7.

**Sec. 4. [SERVICE CALL CHARGES.]** When a shop makes repairs to, or picks up or delivers, an item at a place other than its own premises it shall inform the customer, at the time of the customer's inquiry for service, of any service call charge. The service call charge may be imposed in addition to any other charges assessed the customer, but it shall be separately stated.

**Sec. 5. [REQUIRED SHOP PRACTICES.]** Subdivision 1. At the time the customer authorizes the repairs he may request that replaced parts be returned to him. If such a request is made, the shop shall return the replaced parts to the customer, except for parts that the shop is required to return to the manufacturer or distributor under a warranty or exchange arrangement if the cus-

tomor is shown the replaced parts. The customer shall remove the replaced parts from the shop premises within two business days from the date the repaired item is returned to the customer.

Subd. 2. Every shop shall maintain repair records which shall include all written repair orders, estimates, and invoices, and the names of all customers for whom repair services have been performed. These records shall be available for reasonable inspection and copying by law enforcement officials, in the manner authorized by law, and shall be retained for at least two years. A customer has the right to a copy of documents maintained by the shop reflecting any transaction to which he was a party.

Sec. 6. [PROHIBITED ACTS.] No shop shall:

(a) Charge or recover for unauthorized repairs;

(b) Fail to return to any customer, upon demand, the customer's goods because of the customer's nonpayment of the proportion of the bill which represents:

(1) Repairs which were performed but unauthorized, or

(2) Repair charges which exceed the total of an estimate given prior to commencement of any repairs plus any estimates given prior to commencement of any additional work which the customer subsequently authorizes.

Sec. 7. [REMEDIES; PENALTIES.] Subdivision 1. In the case of a violation of section 6, clause (b), the customer, without making any additional payment, is entitled to the return of his goods or consequential damages, reasonable attorneys fees as determined by the court, and punitive damages not to exceed three times the total charges for the repairs. Acceptance by the shop of the amount offered by the customer shall not be an admission that the amount offered is the true and correct amount owing and payable.

Subd. 2. When a shop refuses return of a customer's replaced parts despite a timely request, the shop shall be liable for the reasonable value of those parts.

Subd. 3. When a shop fails to disclose, as required by sections 1 to 7, an estimate, diagnostic service, work preliminary to a diagnosis, reassembly fee, service call, or release of an unrepaired item, there shall be a rebuttable presumption that the charge is for unauthorized work.

Subd. 4. Any violation of sections 1 to 7 shall be deemed a violation of Minnesota Statutes 1974, Section 325.79, Subdivision 1.

Subd. 5. The remedies of this section are to be construed as cumulative in addition to those provided by the common law and other statutes of this state.

Sec. 8. [PREEMPTION BY STATE.] The provisions of sections 1 to 7 shall supersede local ordinances regulating repairs to the extent that the ordinances are inconsistent with sections 1 to 7.

Sec. 9. [TITLE.] Sections 1 to 9 may be cited as the truth in repairs act.

Sec. 10. [EFFECTIVE DATE.] This act is effective January 1, 1977."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1635: A bill for an act relating to real estate; changing the name of register of deeds and office of register of deeds to county recorder and office of county recorder.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1685: A bill for an act relating to county government; optional form of county government; amending Minnesota Statutes 1974, Section 375.48, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the title as follows:

Page 1, line 2, strike "optional form of" and insert "authorizing county boards to appoint an executive secretary"

Page 1, line 3, strike "county government"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1868: A bill for an act relating to certain counties; requiring the filing of certain surveys with the county surveyor; amending Minnesota Statutes, 1975 Supplement, Section 389.08.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, strike "has" and insert "maintains"

Page 1, line 12, after "office" insert "on a full time basis"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1873: A bill for an act relating to Crow Wing county; authorizing the county to levy and collect a tax for road and bridge purposes on a part of an unorganized township within the county.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Section 429.011, Subdivision 2a, is amended to read:

Subd. 2a. “Municipality” also includes a county in the case of construction, reconstruction or improvement of a county state-aid highway or county highway *as defined in section 160.02* including curbs and gutters and storm sewers outside of the boundaries of any city and includes a county exercising its powers and duties under section 444.075, subdivision 1.

Sec. 2. *This act is effective on the day following final enactment.*”

Amend the title by striking it in its entirety and inserting:

“A bill for an act relating to counties; authorizing counties to levy special assessments for county highway improvements within portions of unorganized townships; amending Minnesota Statutes 1974, Section 429.011, Subdivision 2a.”

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1918: A bill for an act relating to cemeteries; prohibiting certain activities on public and private cemeteries and Indian burial grounds; requiring the posting of Indian burial grounds; amending Minnesota Statutes 1974, Section 307.08.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 17 and 18, reinstate the old language

Page 2, after line 2, insert:

“Subd. 3. *The state archaeologist and the Indian affairs board shall authenticate and identify Indian burial grounds when requested by the political subdivision which has title to Indian burial grounds.*

Subd. 4. *The cost of authentication and identification shall be the responsibility of the political subdivision requesting said identification and authentication.*

*Subd. 5. The size, description and information on the sign must be approved by the Minnesota state historical society. The political subdivision which has title to the Indian burial ground must supply the signs and provide for their installation.*

*Subd. 6. The Indian affairs board must approve any request to relocate an authenticated and identified Indian burial ground."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1975: A bill for an act relating to agriculture; changing the duty of the commissioner of agriculture in establishing standards, grades, and price differentials for milk and cream from mandatory to permissive; amending Minnesota Statutes 1974, Section 32.401, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1869: A bill for an act relating to state lands; authorizing the conveyance of certain state lands in Goodhue county to the city of Red Wing.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "shall" and insert "may"

Page 1, line 9, strike "by quitclaim deed in the form the attorney general"

Page 1, line 10, strike "approves"

Page 1, line 11, after "lands" insert "for recreational purposes only"

Page 2, line 30, strike "The purchase price to be paid by the city of" and insert: "The commissioner of administration shall cause the above described land to be surveyed to be appraised 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 of 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.

The consideration to be paid for the conveyance provided for in this act shall be not less than the value certified by the commis-

sioner of administration. The cost of any survey and the appraisals shall be added to and made a part of the appraised value of the lands to be sold.

The terms of payment for all land so sold shall be not less than ten percent of the purchase price thereof at the time of sale with the balance payable as hereinafter provided. The balance may be paid in not less than equal annual installments and not exceed five years at the option of the purchaser, with principal and interest payable annually in advance at the rate of not less than six percent per annum on the unpaid balance payable to the state treasury on or before June 1 each year.

In the event the terms and conditions of a contract for deed are completely fulfilled or if the purchaser makes a lump sum payment for the subject property in lieu of entering into a contract for deed, the governor, upon the recommendation of the commissioner of administration, shall sign and cause to be issued a quitclaim deed on behalf of the state. Said quitclaim deed shall be in a form prescribed by the attorney general."

Page 2, strike lines 31 and 32

Page 3, strike lines 1 and 2

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 348: A bill for an act relating to insurance; clarifying the application of state law to certain insurance contracts; amending Minnesota Statutes 1974, Chapter 60A, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 62A, is amended by adding a section to read:

[62A.18] *The issuance or renewal of a group subscriber contract or a group insurance policy of accident and sickness insurance, wherever issued, which provides coverage to persons who are members of the group by virtue of their employment in Minnesota is, with respect to those persons and their dependents, subject to the provisions of chapters 62A and 62C.*

Sec. 2. Minnesota Statutes 1974, Chapter 62A, is amended by adding a section to read:

[62A.19] *A health service plan corporation and an insurance company which subsequent to July 1, 1976, issues or renews a group subscriber contract or a policy of group accident and sickness insurance providing coverage to a group containing persons who are members of the group by virtue of their employment in Minnesota, as a condition of being permitted to do business in*

*this state shall, with respect to those persons and their dependents, include in the subscriber contract or policy any provision required by chapters 62A and 62C."*

Amend the title as follows:

Page 1, strike lines 2 to 5 and insert:

**"relating to insurance; making applicable to Minnesota employees provisions of Minnesota Statutes regarding group insurance policies; requiring insurance companies and health service plan corporations doing business in this state to comply with Minnesota group insurance laws; amending Minnesota Statutes 1974, Chapter 62A, by adding sections."**

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 1858: A bill for an act relating to the city of Roseville; membership of housing and redevelopment authority.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "composition,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 1928: A bill for an act relating to the city of Maplewood; paramedic service; authorizing the collection of taxes in excess of the levy limits for purposes of the paramedic program.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1914: A bill for an act relating to game and fish; providing temporary permits for handicapped hunters; amending Minnesota Statutes, 1975 Supplement, Section 98.48, Subdivision 12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, strike "application" and insert "applicant"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2068: A bill for an act authorizing the conveyance by the state of a certain easement over certain lands in the county of Washington.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

H. F. No. 753: A bill for an act relating to game and fish; prohibiting taking of birds by certain methods; amending Minnesota Statutes 1974, Section 100.29, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "31" and insert "32"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 1191: A bill for an act relating to the city of Austin, membership of new police and firemen in the public employees retirement association.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 402, 1333 and 2005 for proper reference, recommends the above House Files be re-referred to their respective Committees as follows:

H. F. No. 1333 to the Committee on Health, Welfare and Corrections.

H. F. No. 402 to the Committee on Natural Resources and Agriculture.

H. F. No. 2005 to the Committee on Transportation and General Legislation.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 1949, 661, 1252, 1635, 1685, 1868, 1873, 1918, 1975, 1869, 1858, 1914 and 2068 were read the second time.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 933, 682, 348, 753 and 1191 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Borden moved that the name of Mr. Merriam be added as co-author to S. F. No. 1984. The motion prevailed.

Mr. Borden moved that the name of Mr. Merriam be added as co-author to S. F. No. 1985. The motion prevailed.

Mr. Olhoft moved that the name of Mr. Schaaf be added as chief author to S. F. No. 2018. The motion prevailed.

Mr. Olson, A. G. moved that the name of Mr. Jensen be added as co-author to S. F. No. 2132. The motion prevailed.

Mr. Gearty moved that S. F. No. 2115 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Metropolitan and Urban Affairs. The motion prevailed.

Mr. McCutcheon moved that the names of Messrs. Lewis and Schaaf be added as co-authors to S. F. No. 2213. The motion prevailed.

Mr. Coleman moved that House Concurrent Resolution No. 19 be taken from the table. The motion prevailed.

House Concurrent Resolution No. 19: A house concurrent resolution providing that either house may adjourn from February 19 until February 25, 1976.

*Be it Resolved*, by the house of representatives, the senate concurring, that either house may adjourn on February 19, 1976 until a day not later than February 25, 1976.

Mr. Coleman moved the adoption of the foregoing resolution.

The question being taken on the adoption of the resolution,

And the roll being called, there were yeas 32 and nays 25, as follows:

Those who voted in the affirmative were:

Arnold	Gearty	Lewis	Perpich, A. J.	Stumpf
Borden	Hansen, Baldy	McCutcheon	Purfeerst	Tennessee
Chmielewski	Hughes	Milton	Schaaf	Wegener
Coleman	Humphrey	Moe	Schmitz	Willet
Conzemius	Keefe, S.	Olhoft	Solon	
Davies	Kleinbaum	Olson, A. G.	Spear	
Doty	Laufenburger	Olson, H. D.	Stokowski	

Those who voted in the negative were:

Anderson	Blatz	Frederick	Kowalczyk	O'Neill
Ashbach	Brataas	Hansen, Mel	Larson	Patton
Bang	Brown	Hanson, R.	Merriam	Pillsbury
Berg	Dunn	Josefson	Nelson	Renneke
Bernhagen	Fitzsimons	Knutson	Olson, J. L.	Ueland

The motion prevailed. So the resolution was adopted.

Mr. Perpich, A. J. moved that the report from the Committee on Taxes and Tax Laws, reported February 9, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Perpich, A. J. moved that the foregoing report be now adopted. The motion prevailed.

### CONFIRMATION

Mr. Perpich, A. J. moved that in accordance with the report from the Committee on Taxes and Tax Laws, reported February 9, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

### MINNESOTA TAX COURT

Earl B. Gustafson, 700 1st National Bank Building, Duluth, St. Louis County, effective July 1, 1975, for a term expiring March 1, 1979.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 57 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, S.	Ogdahl	Schmitz
Arnold	Davies	Kleinbaum	Olhoft	Sillers
Ashbach	Doty	Knutson	Olson, A. G.	Solon
Bang	Dunn	Kowalczyk	Olson, H. D.	Spear
Berg	Fitzsimons	Larson	Olson, J. L.	Stokowski
Bernhagen	Frederick	Laufenburger	O'Neill	Stumpf
Blatz	Gearty	Lewis	Patton	Ueland
Borden	Hansen, Mel	McCutcheon	Perpich, A. J.	Wegener
Brataas	Hanson, R.	Merriam	Pillsbury	Willet
Brown	Hughes	Milton	Purfeerst	
Chmielewski	Humphrey	Moe	Renneke	
Coleman	Jensen	Nelson	Schaaf	

Mr. Hansen, Baldy voted in the negative.

The motion prevailed. So the appointment was confirmed.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Kleinbaum moved that the name of Mr. Josefson be added as co-author to S. F. No. 1980. The motion prevailed.

Mr. Merriam moved that H. F. No. 943 be taken from the table. The motion prevailed.

Mr. Merriam moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 943, and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

### THIRD READING OF SENATE BILLS

S. F. No. 1636: A bill for an act relating to insurance; clarifying license requirements for persons who enter into, acquire or hold insurance premium finance agreements; amending Minnesota Statutes 1974, Section 59A.03, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, S.	Ogdahl	Schmitz
Arnold	Davies	Kleinbaum	Olhoft	Schrom
Ashbach	Doty	Knutson	Olson, A. G.	Sillers
Bang	Dunn	Kowalczyk	Olson, H. D.	Solon
Berg	Fitzsimons	Larson	Olson, J. L.	Spear
Bernhagen	Gearty	Laufenburger	O'Neill	Stokowski
Blatz	Hansen, Baldy	Lewis	Patton	Stumpf
Borden	Hansen, Mel	McCutcheon	Perpich, A. J.	Ueland
Brataas	Hanson, R.	Merriam	Pillsbury	Wegener
Brown	Hughes	Milton	Purfeerst	Willet
Chmielewski	Humphrey	Moe	Renneke	
Coleman	Jensen	Nelson	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 1794: A bill for an act relating to courts; prescribing the jurisdictional limits of conciliation courts in the counties of Hennepin and Ramsey; amending Minnesota Statutes 1974, Sections 488A.12, Subdivision 3; and 488A.29, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Jensen	Moe	Renneke
Arnold	Davies	Josefson	Nelson	Schaaf
Ashbach	Doty	Keefe, S.	Ogdahl	Schmitz
Bang	Dunn	Kleinbaum	Olhoft	Schrom
Berg	Fitzsimons	Knutson	Olson, A. G.	Sillers
Bernhagen	Frederick	Kowalczyk	Olson, H. D.	Solon
Blatz	Gearty	Larson	Olson, J. L.	Spear
Borden	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Brataas	Hansen, Mel	Lewis	Patton	Stumpf
Brown	Hanson, R.	McCutcheon	Perpich, A. J.	Ueland
Chmielewski	Hughes	Merriam	Pillsbury	Wegener
Coleman	Humphrey	Milton	Purfeerst	Willet

So the bill passed and its title was agreed to.

S. F. No. 1905: A bill for an act relating to evidence; limiting use of certain kinds of records of legislative proceedings.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 29 and nays 30, as follows:

Those who voted in the affirmative were:

Arnold	Gearty	McCutcheon	O'Neill	Spear
Borden	Hughes	Milton	Perpich, A. J.	Stokowski
Coleman	Keefe, S.	Moe	Purfeerst	Stumpf
Conzemius	Kleinbaum	Ogdahl	Schmitz	Tennessee
Doty	Laufenburger	Olhoft	Sillers	Wegener
Dunn	Lewis	Olson, H. D.	Solon	

Those who voted in the negative were:

Anderson	Brataas	Hansen, Baldy	Knutson	Patton
Ashbach	Brown	Hansen, Mel	Kowalczyk	Pillsbury
Bang	Chmielewski	Hanson, R.	Larson	Renneke
Berg	Davies	Humphrey	Merriam	Schrom
Bernhagen	Fitzsimons	Jensen	Nelson	Ueland
Blatz	Frederick	Josefson	Olson, J. L.	Willet

So the bill failed to pass.

S. F. No. 1839: A bill for an act relating to judgments; providing for enforcement of foreign judgments in courts of this state.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Olhoft	Sillers
Arnold	Doty	Kleinbaum	Olson, A. G.	Solon
Ashbach	Dunn	Knutson	Olson, H. D.	Spear
Bang	Fitzsimons	Kowalczyk	Olson, J. L.	Stokowski
Berg	Frederick	Larson	O'Neill	Stumpf
Bernhagen	Gearty	Laufenburger	Patton	Tennessen
Blatz	Hansen, Baldy	Lewis	Perpich, A. J.	Ueland
Borden	Hansen, Mel	McCutcheon	Pillsbury	Wegener
Brataas	Hanson, R.	Merriam	Purfeerst	Willet
Brown	Hughes	Milton	Renneke	
Chmielewski	Humphrey	Moe	Schaaf	
Coleman	Jensen	Nelson	Schmitz	
Conzemius	Josefson	Ogdahl	Schrom	

So the bill passed and its title was agreed to.

S. F. No. 1825: A bill for an act relating to crimes; prohibiting altering or removing a manufacturer's identification mark on personal property; providing penalties; amending Minnesota Statutes, 1975 Supplement, Section 609.52, Subdivision 2; repealing Minnesota Statutes 1974, Section 609.655.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Hansen, Mel	Larson	Olson, A. G.
Arnold	Coleman	Hanson, R.	Laufenburger	Olson, H. D.
Ashbach	Conzemius	Hughes	Lewis	Olson, J. L.
Bang	Davies	Humphrey	McCutcheon	O'Neill
Berg	Doty	Jensen	Merriam	Patton
Bernhagen	Dunn	Josefson	Milton	Perpich, A. J.
Blatz	Fitzsimons	Keefe, S.	Moe	Pillsbury
Borden	Frederick	Kleinbaum	Nelson	Purfeerst
Brataas	Gearty	Knutson	Ogdahl	Renneke
Brown	Hansen, Baldy	Kowalczyk	Olhoft	Schaaf

Schmitz	Solon	Stokowski	Tennessen	Wegener
Schrom	Spear	Stumpf	Ueland	Willet
Sillers				

So the bill passed and its title was agreed to.

S. F. No. 1816: A bill for an act relating to game and fish; authorizing additional moose seasons; amending Minnesota Statutes, 1975 Supplement, Section 100.27, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 57 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Josefson	Ogdahl	Schmitz
Arnold	Davies	Keefe, S.	Olboft	Sillers
Ashbach	Doty	Kleinbaum	Olson, A. G.	Solon
Bang	Dunn	Knutson	Olson, H. D.	Stokowski
Berg	Fitzsimons	Kowalczyk	Olson, J. L.	Stumpf
Bernhagen	Frederick	Larson	O'Neill	Tennessen
Blatz	Gearty	Laufenburger	Patton	Ueland
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Wegener
Brataas	Hanson, R.	McCutcheon	Pillsbury	Willet
Brown	Hughes	Merriam	Purfeerst	
Chmielewski	Humphrey	Moe	Renneke	
Coleman	Jensen	Nelson	Schaaf	

Messrs. Hansen, Baldy; Milton; Schrom and Spear voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1273: A bill for an act relating to fair campaign practices; permitting corporations to conduct non-partisan voter registration campaigns and provide meeting facilities to political parties and candidates; authorizing the state ethics commission to issue and publish certain advisory opinions; amending Minnesota Statutes 1974, Section 10A.02, Subdivision 12; and Minnesota Statutes, 1975 Supplement, Section 210A.34, by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Brown	Gearty	Kleinbaum	Moe
Arnold	Chmielewski	Hansen, Baldy	Knutson	Nelson
Ashbach	Coleman	Hansen, Mel	Kowalczyk	Ogdahl
Bang	Conzemius	Hanson, R.	Larson	Olboft
Berg	Davies	Hughes	Laufenburger	Olson, A. G.
Bernhagen	Doty	Humphrey	Lewis	Olson, H. D.
Blatz	Dunn	Jensen	McCutcheon	Olson, J. L.
Borden	Fitzsimons	Josefson	Merriam	O'Neill
Brataas	Frederick	Keefe, S.	Milton	Patton

Perpich, A. J.	Schaaf	Sillers	Stokowski	Ueland
Pillsbury	Schmitz	Solon	Stumpf	Wegener
Purfeerst	Schrom	Spear	Tennessee	Willet
Renneke				

So the bill passed and its title was agreed to.

S. F. No. 1848: A bill for an act relating to insurance; including surety bonds within the scope of the Minnesota insurance guaranty association act; amending Minnesota Statutes 1974, Sections 60C.02, Subdivisions 1 and 2; 60C.03, Subdivision 4; 60C.04; 60C.09, Subdivision 1; 60C.14, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Ogdahl	Schmitz
Arnold	Dunn	Kleinbaum	Olhoff	Schrom
Ashbach	Fitzsimons	Knutson	Olson, A. G.	Sillers
Berg	Frederick	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Gearty	Larson	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Borden	Hansen, Mel	Lewis	Patton	Stumpf
Brown	Hanson, R.	McCutcheon	Perpich, A. J.	Tennessee
Chmielewski	Hughes	Merriam	Pillsbury	Ueland
Coleman	Humphrey	Milton	Purfeerst	Wegener
Conzemius	Jensen	Moe	Renneke	Willet
Davies	Josefson	Nelson	Schaaf	

Mr. Bang and Mrs. Brataas voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1865: A bill for an act relating to insurance; providing a counter-signature commission; amending Minnesota Statutes 1974, Section 60A.17, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Jensen	Nelson	Schmitz
Arnold	Davies	Josefson	Ogdahl	Schrom
Ashbach	Doty	Keefe, S.	Olhoff	Sillers
Bang	Dunn	Kleinbaum	Olson, A. G.	Solon
Berg	Fitzsimons	Knutson	Olson, H. D.	Spear
Bernhagen	Frederick	Kowalczyk	O'Neill	Stokowski
Blatz	Gearty	Larson	Patton	Stumpf
Borden	Hansen, Baldy	Laufenburger	Perpich, A. J.	Tennessee
Brataas	Hansen, Mel	Lewis	Pillsbury	Ueland
Brown	Hanson, R.	McCutcheon	Purfeerst	Wegener
Chmielewski	Hughes	Merriam	Renneke	Willet
Coleman	Humphrey	Moe	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 830: A bill for an act relating to health care; requiring certain insurance policies and health care plans to provide benefits for health care services rendered in free standing ambulatory surgical centers.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Olhoff	Sillers
Arnold	Doty	Kleinbaum	Olson, A. G.	Solon
Aashbach	Dunn	Knutson	Olson, H. D.	Spear
Bang	Fitzsimons	Kowalczyk	Olson, J. L.	Stokowski
Berg	Frederick	Larson	O'Neill	Stumpf
Bernhagen	Gearty	Laufenburger	Patton	Tennessee
Blatz	Hansen, Baldy	Lewis	Perpich, A. J.	Ueland
Borden	Hansen, Mel	McCutcheon	Pillsbury	Wegener
Brataas	Hanson, R.	Merriam	Purfeerst	Willet
Brown	Hughes	Milton	Renneke	
Chmielewski	Humphrey	Moe	Schaaf	
Coleman	Jensen	Nelson	Schmitz	
Conzemius	Josefson	Ogdahl	Schrom	

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 718: A bill for an act relating to forcible entry and unlawful detainer; amending Minnesota Statutes 1974, Section 566.06.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Josefson	Nelson	Schaaf
Arnold	Davies	Keefe, S.	Ogdahl	Schmitz
Ashbach	Dunn	Kleinbaum	Olhoff	Schrom
Bang	Fitzsimons	Knutson	Olson, A. G.	Sillers
Berg	Frederick	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Gearty	Larson	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Borden	Hansen, Mel	Lewis	Patton	Stumpf
Brataas	Hanson, R.	McCutcheon	Perpich, A. J.	Tennessee
Brown	Hughes	Merriam	Pillsbury	Ueland
Chmielewski	Humphrey	Milton	Purfeerst	Wegener
Coleman	Jensen	Moe	Renneke	Willet

So the bill passed and its title was agreed to.

H. F. No. 719: A bill for an act relating to real estate; providing for the extent of a lien; amending Minnesota Statutes 1974, Section 514.03, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 58 and nays 3, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Josefson	Nelson	Schmitz
Ashbach	Doty	Keefe, S.	Ogdahl	Sillers
Bang	Dunn	Kleinbaum	Olhoft	Solon
Berg	Fitzsimons	Knutson	Olson, A. G.	Spear
Bernhagen	Frederick	Kowalczyk	Olson, H. D.	Stokowski
Blatz	Gearty	Larson	Olson, J. L.	Stumpf
Borden	Hansen, Baldy	Laufenburger	O'Neill	Tennesen
Brataas	Hansen, Mel	Lewis	Patton	Ueland
Brown	Hanson, R.	McCutcheon	Perpich, A. J.	Wegener
Chmielewski	Hughes	Merriam	Pillsbury	Willet
Coleman	Humphrey	Milton	Renneke	
Conzemius	Jensen	Moe	Schaaf	

Messrs. Anderson, Purfeerst and Schrom voted in the negative.

So the bill passed and its title was agreed to.

#### CALENDAR OF ORDINARY MATTERS

S. F. No. 1813: A bill for an act authorizing the conveyance by the state of certain lands located in Roseau county.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Jensen	Moe	Schaaf
Arnold	Davies	Josefson	Nelson	Schmitz
Ashbach	Doty	Keefe, S.	Ogdahl	Schrom
Bang	Dunn	Kleinbaum	Olhoft	Sillers
Berg	Fitzsimons	Knutson	Olson, A. G.	Solon
Bernhagen	Frederick	Kowalczyk	Olson, H. D.	Spear
Blatz	Gearty	Larson	O'Neill	Stokowski
Borden	Hansen, Baldy	Laufenburger	Patton	Stumpf
Brataas	Hansen, Mel	Lewis	Perpich, A. J.	Ueland
Brown	Hanson, R.	McCutcheon	Pillsbury	Wegener
Chmielewski	Hughes	Merriam	Purfeerst	Willet
Coleman	Humphrey	Milton	Renneke	

So the bill passed and its title was agreed to.

Mr. Purfeerst moved that S. F. No. 2034, No. 2 on the Calendar of Ordinary Matters, be stricken and placed at the top of General Orders. The motion prevailed.

S. F. No. 1820: A bill for an act relating to Marshall county; authorizing the county law library to be supported by certain judicially imposed fee charges.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Jensen	Nelson	Schaaf
Arnold	Davies	Josefson	Ogdahl	Schmitz
Ashbach	Doty	Keefe, S.	Olhoff	Schrom
Bang	Dunn	Kleinbaum	Olson, A. G.	Sillers
Berg	Fitzsimons	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Gearty	Larson	O'Neill	Spear
Blatz	Hansen, Baldy	Laufenburger	Patton	Stokowski
Brataas	Hansen, Mel	Lewis	Perpich, A. J.	Stumpf
Brown	Hanson, R.	Merriam	Pillsbury	Ueland
Chmielewski	Hughes	Milton	Purfeerst	Wegener
Coleman	Humphrey	Moe	Renneke	Willet

So the bill passed and its title was agreed to.

H. F. No. 1880: A bill for an act relating to state lands; conveyance; authorizing the conveyance by the state of certain lands in the county of Kittson.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Jensen	Moe	Schaaf
Arnold	Davies	Josefson	Nelson	Schmitz
Ashbach	Doty	Keefe, S.	Ogdahl	Schrom
Bang	Dunn	Kleinbaum	Olhoff	Sillers
Berg	Fitzsimons	Knutson	Olson, A. G.	Solon
Bernhagen	Frederick	Kowalczyk	Olson, H. D.	Spear
Blatz	Gearty	Larson	O'Neill	Stokowski
Borden	Hansen, Baldy	Laufenburger	Patton	Stumpf
Brataas	Hansen, Mel	Lewis	Perpich, A. J.	Ueland
Brown	Hanson, R.	McCutcheon	Pillsbury	Wegener
Chmielewski	Hughes	Merriam	Purfeerst	Willet
Coleman	Humphrey	Milton	Renneke	

So the bill passed and its title was agreed to.

#### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Doty in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Doty reported that the committee had considered the following:

S. F. Nos. 2034, 1901, 1866, 1627, 1974, 1973, 2030, 1763, 1764 and 1762, also H. F. Nos. 404, 1721, 945, 1527, 1104, 1057, 951 and 369 which the committee recommends to pass.

H. F. No. 447, which the committee recommends to pass with the following amendment offered by Mr. Keefe, S.:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 82.18, is amended to read:

82.18 [EXCEPTIONS.] Unless a person is licensed or otherwise required to be licensed under this chapter, the term real estate broker does not include:

(a) A licensed practicing attorney acting solely as an incident to the practice of law, provided, however, that the attorney complies in all respects with the trust account provisions of this chapter;

(b) A receiver, trustee, administrator, guardian, executor, or other person appointed by or acting under the judgment or order of any court;

(c) Any person owning and operating a cemetery and selling lots therein solely for use as burial plots;

(d) Any custodian, janitor, or employee or agent of the owner or manager of a residential building who exhibits a residential unit therein to prospective tenants, accepts applications for leases and furnishes such prospective tenants with information relative to the rental of such unit, terms and conditions of leases required by the owner or manager and similar information leases residential units in such building ;

(e) Any bank, trust company, savings and loan association, public utility, or any land mortgage or farm loan association organized under the laws of this state or the United States, when engaged in the transaction of business within the scope of its corporate powers as provided by law;

(f) Public officers while performing their official duties;

(g) Employees of persons enumerated in clauses (b), (e) and (f), when engaged in the specific performance of their duties;

(h) Any person who acts as an auctioneer bonded in conformity with section 330.02, when he is engaged in the specific performance of his duties as an auctioneer;

(i) Any person who acquires such real estate for the purpose of engaging in and does engage in, or who is engaged in the business of constructing residential, commercial or industrial buildings for the purpose of resale, provided that no more than 25 such transactions occur in any 12 month period;

(j) Any person who offers to sell or sells an interest or estate in real estate which is a security registered pursuant to chapter 80, when acting solely as an incident to the sale of such securities;

(k) Any person who offers to sell or sells a business opportunity which is a franchise registered pursuant to chapter 80C, when acting solely to sell the franchise."

Page 1, after line 21, insert :

"Sec. 3. Minnesota Statutes 1974, Section 82.20, Subdivision 13, is amended to read:

Subd. 13. [LIMITED BROKER'S LICENSE.] The commis-

sioner shall have the authority to issue a limited real estate broker's license authorizing the licensee to engage in transactions as principal only. Such license shall be issued only after receipt of the application described in subdivision 3 and payment of the fee prescribed by section 82.21, subdivision 1. No salesperson may be licensed to act on behalf of an individual holding a limited broker's license. *An officer of a corporation or partner of a partnership licensed as a limited broker may act on behalf of that corporation or partnership without being subject to the licensing requirements."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "exempting corporate officers from certain licensing requirements;"

Page 1, line 6, strike "Subdivision 1" and insert "Subdivisions 1 and 13"

Page 1, line 7, before the period, insert "; and Minnesota Statutes, 1975 Supplement, Section 82.18"

S. F. No. 1796, which the committee recommends to pass with the following amendment offered by Mr. Gearty:

Page 2, line 10, strike the comma

Page 2, line 11, strike ", of"

Page 2, line 12, strike "funds"

The question being taken on the recommendation to pass S. F. No. 1796, as amended,

And the roll being called, there were yeas 43 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olson, H. D.	Spear
Arnold	Dunn	Larson	O'Neill	Stassen
Ashbach	Fitzsimons	Laufenburger	Perpich, A. J.	Stokowski
Bang	Gearty	Lewis	Renneke	Stumpf
Berg	Hansen, Baldy	McCutcheon	Schaaf	Ueland
Bernhagen	Hansen, Mel	Milton	Schmitz	Wegener
Brown	Hanson, R.	Moe	Schrom	Willet
Coleman	Hughes	Ogdahl	Sillers	
Conzemius	Humphrey	Olson, A. G.	Solon	

Those who voted in the negative were:

Borden	Josefson	Kowalczyk	Nelson	Pillsbury
Jensen	Knutson	Merriam	Olhott	Purfeerst

The motion prevailed. So the committee recommended S. F. No. 1796 to pass, as amended.

S. F. No. 357, which the committee recommends to pass with the following amendment offered by Mr. Dunn:

Page 1, after line 22, insert:

"Sec. 2. [137.024] *At least one member of the board of regents of the university shall be a resident of each congressional district."*

H. F. No. 717, which the committee recommends to pass with the following amendment offered by Mr. Hughes:

Amend the amendment placed on H. F. No. 717 by the Committee on Education, adopted by the Senate February 9, 1976, as follows:

Strike the amendment to page 1, line 23

S. F. No. 995, which the committee recommends to pass with the following amendment offered by Mr. Purfeerst:

Page 6, line 28, after "*nor*" strike "*defined in sections 1 to*" and insert "*pests*"

Page 6, line 29, strike "25"

Page 7, line 23, after "*other*" insert "*relevant*"

Page 8, line 27, after the semicolon, insert "*and*"

Page 9, line 2, after "*other*" insert "*relevant*"

Page 9, line 31, after "*pesticide*" insert "*only*"

Page 12, line 24, strike "*and*" and insert "*or*"

Page 22, line 18, after "*emergency*" insert "*, which is an incident likely to cause adverse effects on the environment. For purposes of this section an incident includes a flood, fire, tornado, or motor vehicle accident, which unintentionally releases pesticides on the environment*"

Page 22, line 19, strike "*such*"

Page 22, line 22, strike "*incident*" and insert "*emergency*"

Page 25, line 9, strike "*In any instance*"

Page 25, strike lines 10 to 16

S. F. No. 1740, which the committee recommends to pass with the following amendment offered by Mr. Olhoff:

Page 7, line 28, strike "*an*" and insert "*the*"

Page 8, line 19, strike "*final*"

Page 9, line 2, strike "*final*"

S. F. No. 674, which the committee recommends to pass with the following amendment offered by Mr. Hughes:

Page 1, line 9, strike "1974" and insert ", 1975 Supplement"

Page 1, line 11, strike "6" and insert "7"

Page 1, line 24, strike "1974" and insert ", 1975 Supplement"

Page 2, line 2, strike "7" and insert "8"

Page 2, lines 7 to 8, strike "*and its filing in the office of the commissioner of administration*"

Amend the title as follows:

Page 1, line 6, strike "1974" and insert ", 1975 Supplement"

And then, on motion of Mr. Doty, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 1:00 p.m., Friday, February 20, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTY-FOURTH DAY

St. Paul, Minnesota, Friday, February 20, 1976

The Senate met at 1:00 o'clock p.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Conzemius imposed a call of the Senate. The following Senators answered to their names:

Anderson	Conzemius	Humphrey	Moe	Stokowski
Arnold	Davies	Jensen	Olson, A. G.	Stumpf
Bang	Doty	Keefe, J.	O'Neill	Tennessee
Bernhagen	Dunn	Keefe, S.	Patton	Ueland
Blatz	Frederick	Kleinbaum	Pillsbury	Willet
Borden	Gearty	Larson	Purfeerst	
Brown	Hansen, Mel	Lewis	Renneke	
Chmielewski	Hanson, R.	McCutcheon	Schmitz	
Coleman	Hughes	Merriam	Spear	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Jim Leary.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, J.	Nelson	Schmitz
Arnold	Doty	Keefe, S.	Ogdahl	Solon
Ashbach	Dunn	Kleinbaum	Olhoff	Spear
Bang	Frederick	Knutson	Olson, A. G.	Stassen
Berg	Gearty	Kowalczyk	Olson, H. D.	Stokowski
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Stumpf
Blatz	Hansen, Mel	Laufenburger	O'Neill	Tennessee
Borden	Hanson, R.	Lewis	Patton	Ueland
Brown	Hughes	McCutcheon	Pillsbury	Wegener
Chmielewski	Humphrey	Merriam	Purfeerst	Willet
Coleman	Jensen	Milton	Renneke	
Conzemius	Josefson	Moe	Schaaf	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Mrs. Brataas; Messrs. Chenoweth; Fitzsimons; Kirchner; North; Perpich, A. J.; Perpich, G.; Schrom and Sillers were excused from the Session of today. Mr. Ashbach was excused from the early part of today's Session.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

February 19, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Roger Noreen, 1684 James Road, Mendota Heights, Dakota County, has been appointed by me to the Ethical Practices Board, effective February 18, 1976, for a term expiring April 29, 1976.

Harold Chase, 124 Bedford Street S.E., Minneapolis, Hennepin County, has been appointed by me to the Ethical Practices Board, effective February 18, 1976, for a term expiring April 29, 1978.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Transportation and General Legislation.

February 20, 1976

The Honorable Alec Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate Files:

S. F. No. 234, An Act relating to eminent domain; providing for payments and benefits in negotiated acquisitions under no threat of eminent domain; waiver of benefits; amending Minnesota Statutes 1974, Chapter 117, by adding a section.

S. F. No. 370, An Act relating to solemnization of marriage; authorizing solemnization of marriage among Native Americans by Indian holy men; amending Minnesota Statutes 1974, Section 517.18.

S. F. No. 1405, An Act relating to the city of Edina; establishing terms for certain municipal offices.

S. F. No. 1510, An Act relating to Ramsey county; allowing the county board to set sheriff's fees within the county; amending Laws 1974, Chapter 435, Section 3.10.

S. F. No. 1541, An Act relating to counties and the government thereof and, in particular, to Ramsey county; deleting welfare budget deadline as it applies to Ramsey county.

S. F. No. 1584, An Act relating to public safety; providing for the reporting of malicious false fire alarms and establishing procedures for deactivations of fire alarm systems in educational facilities.

S. F. No. 1647, An act relating to natural resources; transferring forest pest control jurisdiction from the commissioner of natural resources; expanding volunteer programs; eliminating certain restrictions on acquisition of public access; changing license fees for commercial fishing on Lake Superior; prohibiting decoys and erection of blinds on public lands; prescribing penalties for certain violations; amending Minnesota Statutes 1974.

Sincerely,  
Wendell R. Anderson, Governor

#### **INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Messrs. Pillsbury, Schaaf and Lewis introduced—

S. F. No. 2220: A bill for an act relating to human rights; creating an advisory task force on statutory sex discrimination; requiring a report to the legislature; repealing Minnesota Statutes 1974, Section 363.04, Subdivision 8.

Referred to the Committee on Governmental Operations.

Mr. O'Neill introduced—

S. F. No. 2221: A bill for an act relating to licensed premises; prohibiting the operation of gambling devices; providing certain exceptions; amending Minnesota Statutes 1974, Sections 325.54, by adding subdivisions; and 340.14, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Messrs. Coleman and Conzemius introduced—

S. F. No. 2222: A bill for an act relating to ethics in government; redefining political party; amending Minnesota Statutes 1974, Section 10A.27, Subdivision 4.

Referred to the Committee on Transportation and General Legislation.

Mr. Hansen, Baldy introduced—

S. F. No. 2223: A bill for an act relating to the city of Albert Lea; authorizing a housing finance program; providing for the issuance of general obligation and revenue bonds to finance the program.

Referred to the Committee on Local Government.

Messrs. North, Frederick and Laufenburger introduced—

S. F. No. 2224: A bill for an act relating to the regulation and control of junk yards adjacent to trunk highways; requiring junk

yards to be concealed from the view of motorists using the highway; amending Minnesota Statutes, 1975 Supplement, Section 161.242, Subdivision 3.

Referred to the Committee on Transportation and General Legislation.

Messrs. Milton, Kirchner and Olson, A. G. introduced—

S. F. No. 2225: A bill for an act relating to medical assistance for the needy; establishing guidelines for reimbursement of medical services furnished by nursing homes; prescribing certain responsibilities for the department of public welfare.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Fitzsimons, Moe and Olson, A. G. introduced—

S. F. No. 2226: A bill for an act relating to counties; authorizing inclusion of cities in sewer and water districts; allowing certain special assessments; providing a flexible accounting system for multi-county projects; amending Minnesota Statutes 1974, Sections 116A.01, Subdivisions 1 and 2, and by adding a subdivision; 116A.16; 116A.17, Subdivision 2; and 116A.24, Subdivision 3; and Minnesota Statutes, 1975 Supplement, Sections 116A.01, Subdivisions 1a and 4; and 116A.20, Subdivisions 2 and 6.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Davies, Doty and Sillers introduced—

S. F. No. 2227: A bill for an act relating to negligence; civil actions; establishing the rule of pure comparative recovery negligence; amending Minnesota Statutes 1974, Section 604.01, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Sillers, Moe and Olson, A. G. introduced—

S. F. No. 2228: A bill for an act relating to labor; appropriating money for enforcement of Minnesota Statutes, Chapter 177.

Referred to the Committee on Labor and Commerce.

Mr. Anderson introduced—

S. F. No. 2229: A bill for an act relating to commerce; providing remedies for worthless checks; providing penalties; amending Minnesota Statutes 1974, Section 609.535, Subdivisions 1, 2 and 3, and by adding subdivisions.

Referred to the Committee on Judiciary.

Messrs. Kleinbaum and Dunn introduced—

S. F. No. 2230: A bill for an act relating to education; authorizing the higher education coordinating board and regional consortium to cooperate in the development of health education programs.

Referred to the Committee on Education.

Messrs. Milton and Olhoft introduced—

S. F. No. 2231: A bill for an act relating to highway traffic regulations; driving under the influence of an alcoholic beverage; prescribing penalties; amending Minnesota Statutes 1974, Section 169.121, Subdivision 6, and by adding a subdivision; Minnesota Statutes, 1975 Supplement, Section 169.121, Subdivision 1; repealing Minnesota Statutes 1974, Section 169.121, Subdivisions 3, 4 and 5.

Referred to the Committee on Judiciary.

Messrs. Laufenburger, Bang and Hansen, Baldy introduced—

S. F. No. 2232: A bill for an act relating to optometric services; providing for inclusion of optometric services in benefits for expenses incurred for medical treatment or services; amending Minnesota Statutes 1974, Section 62A.15, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Labor and Commerce.

Messrs. O'Neill, Laufenburger and Sillers introduced—

S. F. No. 2233: A bill for an act relating to private cemeteries; recovery of abandoned lots; amending Minnesota Statutes 1974, Chapter 307, by adding a section.

Referred to the Committee on Transportation and General Legislation.

Messrs. O'Neill, Davies and Sillers introduced—

S. F. No. 2234: A bill for an act relating to crime victims reparations; authorizing a claim to be filed within one year of the time when it could have been reasonably made; amending Minnesota Statutes 1974, Section 299B.03, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S. F. No. 2235: A bill for an act relating to highway traffic regulations; weights on certain vehicles; providing maximum axle weights on refuse compactor collector vehicles; amending

Minnesota Statutes 1974, Chapter 169, by adding a section; repealing Minnesota Statutes 1974, Section 169.831.

Referred to the Committee on Transportation and General Legislation.

Messrs. Spear, Larson and Schmitz introduced—

S. F. No. 2236: A bill for an act relating to adoptions; providing that adopted persons may have access to their birth records; amending Minnesota Statutes 1974, Sections 144.176, Subdivision 1; and 259.31.

Referred to the Committee on Judiciary.

Mr. Perpich, A. J. introduced—

S. F. No. 2237: A bill for an act directing the sale of a certain parcel of tax forfeited land in St. Louis county.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Milton and Schaaf introduced—

S. F. No. 2238: A bill for an act relating to highway traffic regulations; providing for revocation of drivers licenses for certain violations; amending Minnesota Statutes 1974, Sections 169.121, Subdivision 4; 171.04; and 171.30, Subdivisions 2 and 3.

Referred to the Committee on Judiciary.

Mr. Moe, by request, introduced—

S. F. No. 2239: A bill for an act relating to state lands; directing conveyance of certain state owned lands in Mahnomen county.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Hansen, Mel; Pillsbury and Brown introduced—

S. F. No. 2240: A bill for an act relating to ethics in government; redefining political party; amending Minnesota Statutes 1974, Section 10A.27, Subdivision 4.

Referred to the Committee on Transportation and General Legislation.

Messrs. Merriam, Dunn and Conzemius introduced—

S. F. No. 2241: A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for disposition of proceeds of sale.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Olhoft introduced—

S. F. No. 2242: A bill for an act relating to state hospitals; providing certain name changes; amending Minnesota Statutes 1974, Sections 252.025, Subdivision 1; 253.201; 253A.02, by adding a subdivision; and 254.05.

Referred to the Committee on Health, Welfare and Corrections.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 806: A bill for an act relating to control of noxious weeds; authorizing towns to control noxious weed growth on state lands; providing reimbursement of certain expenses incurred to control weeds on state lands.

Senate File No. 806 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 19, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Moe moved that the Senate concur in the amendments by the House to S. F. No. 806 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 806: A bill for an act relating to control of noxious weeds; authorizing towns or cities to control noxious weed growth on state lands; providing reimbursement of certain expenses incurred to control weeds on state lands.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Brown	Frederick	Jensen	McCutcheon
Arnold	Chmielewski	Gearty	Keefe, J.	Merriam
Bang	Coleman	Hansen, Baldy	Keefe, S.	Moe
Berg	Conzemius	Hansen, Mel	Kleinbaum	Nelson
Bernhagen	Davies	Hanson, R.	Kowalczyk	Ogdahl
Blatz	Doty	Hughes	Larson	Olhoft
Borden	Dunn	Humphrey	Lewis	Olson, A. G.

Olson, H. D.	Pillsbury	Solon	Stumpf	Willet
Olson, J. L.	Purfeerst	Spear	Tennesen	
O'Neill	Renneke	Stassen	Ueland	
Patton	Schmitz	Stokowski	Wegener	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 932: A bill for an act relating to public welfare; permitting the commissioner of public welfare to establish maximum fees for congregate living care under the income maintenance programs; amending Minnesota Statutes 1974, Section 256.01, Subdivision 2.

Senate File No. 932 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 19, 1976

Mr. Schmitz moved that S. F. No. 932 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 59, 1870, 1904, 2038, 1323, 1898, 2071 and 2170.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 19, 1976

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 59: A bill for an act relating to towns; authorizing towns to request the taking of a census by the secretary of state; amending Minnesota Statutes 1974, Chapter 365, by adding a section.

Referred to the Committee on Local Government.

H. F. No. 1870: A bill for an act relating to public employees; administrative expenses of salary deductions for annuity contracts; appropriating funds; repealing Laws 1975, Chapter 433, Section 12.

Referred to the Committee on Rules and Administration.

**H. F. No. 1904:** A bill for an act relating to cemeteries; prohibiting certain activities on public and private cemeteries and Indian burial grounds; requiring the posting of Indian burial grounds; amending Minnesota Statutes 1974, Section 307.08.

Referred to the Committee on Rules and Administration.

**H. F. No. 2038:** A bill for an act relating to medical assistance for the needy; directing the commissioner of public welfare to identify and investigate certain medical assistance abuses; requiring certain reports; amending Minnesota Statutes 1974, Section 256B.04, Subdivision 5, and by adding subdivisions.

Referred to the Committee on Health, Welfare and Corrections.

**H. F. No. 1323:** A bill for an act relating to health; setting standards for contract emergency ambulance services; amending Minnesota Statutes 1974, Section 144.804, Subdivision 3.

Referred to the Committee on Health, Welfare and Corrections.

**H. F. No. 1898:** A bill for an act relating to insurance; providing for interest on unpaid benefits; amending Minnesota Statutes 1974, Chapter 61A, by adding a section.

Referred to the Committee on Labor and Commerce.

**H. F. No. 2071:** A bill for an act relating to towns; adoption of optional form of government; amending Minnesota Statutes, 1975 Supplement, Section 367.31, Subdivision 2.

Referred to the Committee on Local Government.

**H. F. No. 2170:** A bill for an act relating to towns; election of officers; submittal of optional plans of town government to electors; amending Minnesota Statutes, 1975 Supplement, Sections 367.03, Subdivision 1; and 367.31, Subdivision 1.

Referred to the Committee on Local Government.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Perpich, A. J., from the Committee on Taxes and Tax Laws, to which was referred

**S. F. No. 1997:** A bill for an act relating to taxation; credits on tax on fermented malt beverages; amending Minnesota Statutes 1974, Section 340.47, Subdivisions 2 and 2a.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1857: A bill for an act creating a Minnesota law revision commission; prescribing its duties and functions; and appropriating funds for its operation.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 7, 10, 11, 12, and 15, strike "commission" and insert "board"

Page 1, line 8, strike "COMMISSION" and insert "BOARD"

Page 1, line 14, strike "Each" and insert "At least three"

Page 1, line 15, strike "person" and insert "persons"

Page 1, strike lines 17 to 19, and insert "board shall annually elect one of its members as chairman."

Page 1, line 20, strike "; COMPENSATION" and insert "OFFICE"

Page 1, line 20, strike "The first board shall"

Page 1, strike lines 21 to 22

Page 2, strike lines 1 to 5 and insert "Initial members of the board shall be appointed to terms of the following duration:

- (a) one member to a term ending the first Monday in January, 1978;
- (b) two members to terms ending the first Monday in January, 1979;
- (c) one member to a term ending the first Monday in January, 1980;
- (d) one member to a term ending the first Monday in January, 1981.

Thereafter successor members shall be appointed to four-year terms ending the first Monday in January. A member may serve until a successor is appointed and qualifies. If the governor fails to appoint a successor by July 1 of the year in which a term expires, the term of the member for whom a successor has not been appointed shall extend, subject to the advice and consent of the senate, until the first Monday in January four years after the scheduled end of the original term."

Page 2, lines 6, 11, 15, 20 and 32, strike "commission" and insert "board"

Page 2, line 7, strike everything after "shall"

Page 2, strike lines 8 to 9 and insert "be compensated at the rate of \$35 per day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as received by state employees. Members who are state employees

or employees of political subdivisions shall not receive the \$35 per day if the activities occur during normal working hours for which they are also compensated by the state or political subdivision. Members who are state employees or employees of a political subdivision may receive the expenses provided for in this section unless the expenses are reimbursed by another source.

Subd. 5. [REMOVAL; VACANCIES.] A member may be removed by the governor at any time (1) for cause, after notice and hearing, or (2) after missing three consecutive meetings. The chairman of the board shall inform the appointing authority of a member missing the three consecutive meetings. After the second consecutive missed meeting and before the next meeting, the chairman or executive director of the board shall notify the member in writing that he may be removed if he misses the next meeting. In the case of a vacancy on the board, the governor shall appoint, subject to the advice and consent of the senate, a person to fill the vacancy for the remainder of the unexpired term."

Page 2, line 10, strike "SECRETARY" and insert "DIRECTOR"

Page 2, line 11, strike "secretary" and insert "director"

Page 2, line 12, strike "commission" and insert "board" and strike the remainder of the line

Page 2, strike line 13

Page 2, line 14, strike everything before the period

Page 2, line 15, strike "secretary" and insert "director"

Page 2, line 16, strike "and fix the compensation of"

Page 2, line 17, before the period and before "are" strike "commission" and insert "board"

Page 2, line 19, strike "COMMISSION" and insert "BOARD"

Page 2, line 27, strike "or"

Page 2, line 30, strike the period and insert "; or"

Page 2, after line 30, insert:

"(c) to eliminate the incidence of prejudice or discrimination, or the appearance thereof, on the basis of sex or otherwise, in Minnesota Statutes."

Page 3, lines 6, 12, 14, 18, 24, and 29, strike "commission" and insert "board"

Page 3, line 27, strike "other"

Page 3, strike line 28

Page 3, line 29, strike "them" and insert "employees"

Page 4, strike lines 1 to 4

Page 4, line 6, strike "commission" and insert "board"

Page 4, line 7, strike "\$150,000" and insert "\$50,000"

Page 4, after line 8, insert:

"Sec. 6. [EFFECTIVE DATE.] This act is effective the day after its final enactment and shall expire June 30, 1983."

Amend the title as follows:

Line 2, strike "commission" and insert "board"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1829 for comparison to companion Senate Files, reports the following House File was found identical and recommends the House File be given its Second Reading and substituted for its companion Senate File as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				1829	1762

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1870 for proper reference, recommends that it be re-referred to the Committee on Governmental Operations.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. No. 1997 was read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. No. 1829 was read the second time.

#### **MOTIONS AND RESOLUTIONS**

Mr. Wegener moved that the name of Mr. Olhoft be added as co-author to S. F. No. 2169. The motion prevailed.

Mr. Wegener moved that the name of Mr. Olhoft be added as co-author to S. F. No. 2170. The motion prevailed.

Mr. Davies moved that the name of Mr. Hansen, Baldy be added as co-author to S. F. No. 2205. The motion prevailed.

Mr. Coleman introduced—

Senate Resolution No. 30: A Senate resolution relating to the implementation of Rule 10 of the Permanent Rules of the Senate.

Mr. Coleman moved that Senate Resolution No. 30 be laid on the table. The motion prevailed.

Mr. Kleinbaum moved that the name of Mr. Larson be stricken and the name of Mr. Ueland be added as co-author to S. F. No. 2156. The motion prevailed.

Mr. Willet moved that the name of Mr. Josefson be added as co-author to S. F. No. 1989. The motion prevailed.

Mr. Coleman moved that Senate Resolution No. 30 be taken from the table. The motion prevailed.

Senate Resolution No. 30: A Senate resolution relating to the implementation of Rule 10 of the Permanent Rules of the Senate.

WHEREAS, Rule 10, paragraph 2 of the Permanent Rules of the Senate, appearing on page 366 of the Daily Journal of the Senate for March 6, 1975, reads as follows:

“After a time specified by a resolution offered by the Committee on Rules and Administration, the Chairmen of the Committees on Finance and Taxes and Tax Laws, as authorized by their respective committees, may designate a special order for any bill favorably reported by their respective committees.”

NOW THEREFORE, BE IT RESOLVED that the above shall become operative March 1, 1976.

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

#### SUSPENSION OF RULES

Mr. Coleman moved that the Senate take up the General Orders Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

#### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Keefe, J. in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Keefe, J. reported that the committee had considered the following:

S. F. Nos. 1949, 1252 and 1975, also H. F. Nos. 1995 and 933 which the committee recommends to pass.

S. F. No. 550, which the committee recommends to pass with the following amendment offered by Mr. Blatz:

Page 2, line 20, after “enactment” insert a period and strike the rest of the line

Page 2, strike line 21

And then, on motion of Mr. Keefe, J., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 11:30 o'clock a.m., Monday, February 23, 1976. The motion prevailed.

Partick E. Flahaven, Secretary of the Senate

## SEVENTY-FIFTH DAY

St. Paul, Minnesota, Monday, February 23, 1976

The Senate met at 11:30 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Arnold imposed a call of the Senate. The following Senators answered to their names:

Arnold	Davies	Josefson	Olhoff	Stokowski
Ashbach	Doty	Keefe, S.	Olson, A. G.	Stumpf
Bang	Dunn	Kirchner	Olson, J. L.	Tennessee
Berg	Gearly	Kleinbaum	Patton	Ueland
Bernhagen	Hansen, Baldy	Kowalczyk	Pillsbury	Wegener
Blatz	Hansen, Mel	Merriam	Schaaf	Willet
Brataas	Hanson, R.	Milton	Schmitz	
Brown	Hughes	Nelson	Schrom	
Coleman	Humphrey	Ogdahl	Spear	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. William Schonebaum.

The roll being called, the following Senators answered to their names:

Anderson	Doty	Kleinbaum	Olhoff	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearly	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Borden; Conzemius; Fitzsimons; Jensen; Perpich, A. J. and Perpich, G. were excused from the Session of today. Mr.

Brown was excused from the Session of today at 1:00 o'clock p.m.

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Gearty introduced—

S. F. No. 2243: A bill for an act relating to taxation; providing for state reimbursement of taxing districts for tax reduction granted to Title II and certain other property; amending Minnesota Statutes 1974, Chapter 273, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 276.04.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Knutson, Patton and Blatz introduced—

S. F. No. 2244: A bill for an act relating to taxation; increasing personal credits against income tax; amending Minnesota Statutes 1974, Section 290.06, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 290.06, Subdivision 3c.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hansen, Mel; Stassen and Blatz introduced—

S. F. No. 2245: A bill for an act relating to taxation; providing an inflation adjustment for income subject to income tax; amending Minnesota Statutes 1974, Section 290.06, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stassen, Knutson and Blatz introduced—

S. F. No. 2246: A bill for an act relating to taxation; exempting heating fuels, insulation materials, and pollution control equipment from the sales tax; providing for apportionment of sales tax on heavy construction and transportation equipment according to its use within and without the state; amending Minnesota Statutes 1974, Section 297A.25, Subdivision 1, and Chapter 297A, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schrom and Bernhagen introduced—

S. F. No. 2247: A bill for an act abolishing the Clearwater River Watershed district in the counties of Meeker, Stearns and Wright.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Spear; Keefe, J. and Tennessen introduced—

S. F. No. 2248: A bill for an act relating to juveniles; providing limitations on procedures for juvenile detention; providing definitions; setting standards; amending Minnesota Statutes 1974, Sections 260.015, by adding subdivisions; 260.101; 260.171, Subdivisions 1, 2, and by adding subdivisions; 641.14; and Chapter 260, by adding sections; repealing Minnesota Statutes 1974, Sections 260.171, Subdivision 3; and 260.175.

Referred to the Committee on Judiciary.

Mr. Schrom introduced—

S. F. No. 2249: A bill for an act relating to taxation; providing for taxation of certain camps.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schrom, Blatz and Davies introduced—

S. F. No. 2250: A bill for an act relating to drivers licenses; authorizing the issuance of limited licenses under certain conditions; providing that certain students may receive a limited license under certain restrictions; amending Minnesota Statutes 1974, Section 171.30, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Doty, O'Neill and Lewis introduced—

S. F. No. 2251: A bill for an act relating to crime victims reparations; authorizing a claim to be filed within one year of the time when it could have been reasonably made; amending Minnesota Statutes 1974, Section 299B.03, Subdivision 2.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S. F. No. 2252: A bill for an act relating to the towns of Moose Lake in Carlton county and Windemere in Pine county; authorizing the Moose Lake and Windemere area sanitary sewer district to exercise certain powers of sanitary districts; providing for the election of members of the sanitary sewer board; amending Laws 1974, Chapter 400, Sections 3, Subdivisions 5 and 12; 4, Subdivision 2, and by adding subdivisions; 8 by adding a subdivision; and by adding a section; repealing Laws 1974, Chapter 400, Section 4, Subdivisions 3, 4, 5, and 8.

Referred to the Committee on Local Government.

Mr. Stokowski introduced—

S. F. No. 2253: A bill for an act relating to taxation; provid-

ing for a credit against individual income tax for the mentally or physically disabled; amending Minnesota Statutes, 1975 Supplement, Section 290.06, Subdivision 3c.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Anderson, Bang and Hansen, Baldy introduced—

S. F. No. 2254: A bill for an act relating to unemployment compensation; providing that an individual who has voluntarily left or indefinitely separated from employment with a school and is hired for the next school year by another school may not collect benefits during the period between successive school years; amending Minnesota Statutes, 1975 Supplement, Section 268.08, Subdivision 5.

Referred to the Committee on Labor and Commerce.

Messrs. Josefson, Jensen and Conzemius introduced—

S. F. No. 2255: A bill for an act relating to handicapped persons; authorizing a feasibility study for the establishment of a rehabilitation center and residence for certain handicapped persons; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Conzemius and Tennesen introduced—

S. F. No. 2256: A bill for an act relating to courts; providing a judicial advisory service for the county courts; appropriating money; amending Minnesota Statutes 1974, Chapter 487, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Milton, Solon and Schmitz introduced—

S. F. No. 2257: A bill for an act relating to daytime activity centers; renaming them developmental achievement centers; making the necessary revisions in Minnesota Statutes; amending Minnesota Statutes 1974, Sections 252.21; 252.22; 252.23; 252.24, as amended; 252.25; 257.081, Subdivision 10; and Minnesota Statutes, 1975 Supplement, Sections 123.39, Subdivision 13; and 252.26.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Doty and Hansen, Baldy introduced—

S. F. No. 2258: A bill for an act relating to commerce; prohibiting wholesale distributors of gasoline or special fuels from selling gasoline and special fuels at retail.

Referred to the Committee on Labor and Commerce.

Messrs. Lewis, Ogdahl and Gearty introduced—

S. F. No. 2259: A bill for an act relating to public welfare; providing for the licensure and regulation of social workers; establishing the board of social worker examiners; prescribing penalties.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Moe, Arnold and Dunn introduced—

S. F. No. 2260: A bill for an act relating to natural resources; providing for investigation of peat resources; appropriating money.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Knutson and Bang introduced—

S. F. No. 2261: A bill for an act relating to insurance; clarifying when certain misstatements of mental condition shall not invalidate an insurance policy; amending Minnesota Statutes 1974, Section 61A.11.

Referred to the Committee on Labor and Commerce.

Messrs. Coleman, Stumpf and Hughes introduced—

S. F. No. 2262: A bill for an act relating to taxation; providing for a credit against income tax for the cost of care for certain dependents; appropriating money; amending Minnesota Statutes 1974, Chapter 290, by adding a section; repealing Minnesota Statutes 1974, Section 290.09, Subdivision 26.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederick, Sillers and Conzemius introduced—

S. F. No. 2263: A bill for an act relating to highway traffic regulations; defining terms; authorizing flashing lights on certain vehicles; authorizing certain vehicles to be equipped with a flashing amber lamp and to display the lighted lamp under certain conditions; amending Minnesota Statutes 1974, Sections 169.01, by adding a subdivision; and 169.64, Subdivision 3, and by adding a subdivision.

Referred to the Committee on Transportation and General Legislation.

Messrs. Merriam and Coleman introduced—

S. F. No. 2264: A bill for an act relating to nuclear energy facilities; requiring a certificate of need for certain nuclear facilities; establishing procedures to ensure that the state and its residents are adequately compensated for damages arising from certain nu-

clear accident; amending Minnesota Statutes 1974, Sections 116H.02, Subdivision 5, and by adding a subdivision; 116H.13, by adding a subdivision; and 12.21, by adding a subdivision.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Moe, by request, introduced—

S. F. No. 2265: A bill for an act relating to newspapers; publication of retractions and corrections; setting certain requirements for the printing of statements of correction.

Referred to the Committee on Judiciary.

Messrs. Frederick, Purfeerst and Renneke introduced—

S. F. No. 2266: A bill for an act relating to taxation; providing that gross receipts from the sale of sod be exempt from sales tax; amending Minnesota Statutes 1974, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hanson, R. and Willet introduced—

S. F. No. 2267: A bill for an act relating to economic development; appropriating money.

Referred to the Committee on Labor and Commerce.

Messrs. Stokowski and Kleinbaum introduced—

S. F. No. 2268: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIII, Section 5; permitting a state lottery for an athletic stadium.

Referred to the Committee on Labor and Commerce. Mr. Stokowski questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Stokowski and Merriam introduced—

S. F. No. 2269: A bill for an act relating to insurance; requiring meaningful disclosure of costs of life insurance; providing a penalty.

Referred to the Committee on Labor and Commerce.

Mr. Fitzsimons introduced—

S. F. No. 2270: A bill for an act relating to the Middle River-Snake River watershed district; providing for taxes.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Anderson, O'Neill and Arnold introduced—

S. F. No. 2271: A bill for an act relating to taxation; extending a senior citizen's tax credit to certain joint owners and part owners; amending Minnesota Statutes 1974, Sections 273.011, Subdivision 2; 273.012, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 273.012, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stumpf, Doty and Schaaf introduced—

S. F. No. 2272: A bill for an act relating to health; establishing safeguards designed to prohibit involuntary sterilization; prescribing penalties; repealing Minnesota Statutes 1974, Sections 256.07; 256.08; 256.09; and 256.10.

Referred to the Committee on Judiciary.

Messrs. Stumpf, Stassen and Lewis introduced—

S. F. No. 2273: A bill for an act authorizing the metropolitan council to issue bonds for repair, construction, reconstruction, improvement, and rehabilitation of the Como Park zoo by the City of Saint Paul; amending Minnesota Statutes 1974, Chapter 473G, by adding a section.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Stumpf introduced—

S. F. No. 2274: A bill for an act relating to education; identifying educationally deficient school districts; establishing a program for improvement of instruction in certain districts.

Referred to the Committee on Education.

Messrs. Frederick, Hughes and O'Neill introduced—

S. F. No. 2275: A bill for an act relating to taxation; providing for a deduction from gross income for amounts paid for post secondary school expenses; amending Minnesota Statutes 1974, Section 290.09, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schaaf, Ogdahl and Schmitz introduced—

S. F. No. 2276: A bill for an act relating to the designer selection board; defining terms; prescribing the powers and duties of the board; amending Minnesota Statutes 1974, Sections 16.822, Subdivision 5, and by adding a subdivision; 16.823, Subdivision 4; and 16.826, Subdivisions 2 and 5.

Referred to the Committee on Governmental Operations.

Mr. Arnold introduced—

S. F. No. 2277: A bill for an act relating to the organization and operation of state government; codifying various provisions formerly contained as riders in appropriation acts; amending Minnesota Statutes 1974, Sections 3.755; 16A.28; 16A.72; 38.02, Subdivision 1, and by adding a subdivision; 121.26; 125.08; 136.06; 136.11, Subdivision 1 and 2, and by adding subdivisions; 136.13; 136.62, by adding a subdivision; 137.02, Subdivision 3, and by adding subdivisions; 138.01; 144.169, by adding a subdivision; 158.04; 158.05; 158.08; 161.142, Subdivision 6; 161.201; 167.45; 171.26; 173.231; 241.27, by adding a subdivision; 243.44; 245.61; 245.65, Subdivision 1; 246.02, Subdivisions 2 and 4; 248.-07, Subdivision 8; 252.27, Subdivision 1; 254A.08, Subdivision 3; 256.01, Subdivision 8; 256.011; 260.311, Subdivision 5; 299D.03, Subdivision 6; 299D.04; 352B.02, Subdivision 1; Chapters 134, 136, 137, 138, 139, 161, 242, 245, and 246, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 16.02, Subdivision 16; 136A.121, Subdivision 3; 139.10, by adding subdivisions; 243.09, Subdivision 3; 252.24, Subdivision 4; 260.251, Subdivision 1a; 268.08, Subdivision 5; repealing Minnesota Statutes 1974, Sections 136.821; 161.241, Subdivision 5; 161.261, Subdivision 3; 167.40; 299D.03, Subdivision 4; Laws 1969, Chapter 157, Section 2; Laws 1973, Chapter 768, Section 23; and Laws 1975, Chapter 433, Section 20.

Referred to the Committee on Finance.

Mr. Arnold introduced—

S. F. No. 2278: A bill for an act relating to appropriations; converting certain standing appropriations to direct appropriations; abolishing other standing appropriations; appropriating money; amending Minnesota Statutes 1974, Sections 9.061, Subdivision 5; 97.482, Subdivision 2; 638.08; and Laws 1971, Chapter 121, Section 2, as amended; repealing Minnesota Statutes 1974, Sections 7.07; 138.821; Minnesota Statutes, 1975 Supplement, Sections 123.937; 144.146, Subdivision 2; Laws 1973, Chapter 768, Section 23; and Laws 1975, Chapter 433, Section 20.

Referred to the Committee on Finance.

Mr. Josefson introduced—

S. F. No. 2279: A bill for an act relating to public utilities furnishing at retail electric service; providing that a customer may elect to purchase electric service from either electric utility providing him with service when he has buildings on land constituting his homestead located within more than one assigned service area; amending Minnesota Statutes 1974, Section 216B.-40; and Chapter 216B, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. Ashbach and Coleman introduced—

S. F. No. 2280: A bill for an act relating to the legislature; creating a federal aid coordinating commission to monitor the flow of federal funds into the state; requiring information and research; providing staff; requiring report to the legislature.

Referred to the Committee on Governmental Operations.

Messrs. Kleinbaum and Bernhagen introduced—

S. F. No. 2281: A bill for an act relating to retirement; judges' survivors' benefits; option to continue.

Referred to the Committee on Governmental Operations.

Messrs. Purfeerst, Fitzsimons and Arnold introduced—

S. F. No. 2282: A bill for an act relating to the Minnesota state historical society; interpretive centers; appropriating money.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Olhofft introduced—

S. F. No. 2283: A bill for an act relating to electrical utilities; restricting acquisition of land for stockpiling of material or components for construction; amending Minnesota Statutes 1974, Chapter 116C, by adding a section.

Referred to the Committee on Labor and Commerce.

Mr. Olson, J. L. introduced—

S. F. No. 2284: A bill for an act relating to the counties of Nobles and Rock; authorizing the acquisition of real estate for the operation of television translator systems.

Referred to the Committee on Local Government.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1880: A bill for an act relating to health; providing that hospitals do not require additional licenses for certain day care facilities; amending Minnesota Statutes 1974, Section 245.79.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "*under other law*" and insert "*by the state board of health under Minnesota Statutes, Sections 144.50 to 144.58,*"

Page 1, line 10, after "*or*" insert "*to*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1996: A bill for an act relating to counties; authorizing county boards to furnish board and certain other services to prisoners in county jails; amending Minnesota Statutes, 1975 Supplement, Section 387.20, Subdivision 6.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 2040: A bill for an act relating to towns; election of officers; submittal of optional plans of town government to electors; amending Minnesota Statutes, 1975 Supplement, Sections 367.03, Subdivision 1; and 367.31, Subdivision 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1388: A bill for an act relating to public health; requiring school nurses to take throat cultures and test for infection; amending Minnesota Statutes 1974, Section 145.085, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "*shall,*"

Page 1, line 13, strike "*may*" and insert "*shall*"

Page 1, line 14, strike the comma

Page 1, line 14, after "*children*" insert "*who have been referred to the nurse*"

Page 1, line 15, after the period insert "*A nurse may not take a throat culture unless the school has received a signed permission slip from the child's parent or guardian. Each school shall provide an incubator for use by*"

Page 1, line 16, strike "*shall make use of any available incubator at*" and insert a period

Page 1, line 17, strike "*school and*" and insert "*nurse shall*"

Page 1, line 19, after "*culture*" and before the comma, insert "*he shall be referred by the nurse to a licensed physician for further examination, and may not return to the school without a written statement from the physician that the presence of the student in the school does not endanger the health of other persons in the school. In addition*"

Page 1, line 19, after "*family*" insert "*of a student who has a positive throat culture*"

Page 1, line 20, strike "*aforementioned person*" and insert "*nurse*"

Page 1, line 21, after "*materials*" insert "*, including the cost of the incubator,*"

Page 1, line 22, after the period insert "*The state board of health shall periodically conduct training sessions for school nurses related to the provisions of this section.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2076: A bill for an act relating to corrections; amending Minnesota Statutes 1974, Section 241.01, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, after "*by*" and before "*law*" insert "*state*"

Page 1, line 18, strike "*keep*" and insert "*clothing and maintenance*"

Page 2, line 4, after "*prescribe*" and before the period insert "*, provided however, that no inmate convicted of an offense involving death, great bodily harm, criminal sexual conduct in the first, second or third degree, or who had a firearm in his possession at the time of the offense may be granted a furlough*"

Amend the title as follows:

Page 1, line 2, after the semicolon insert "*permitting the commissioner of corrections to pay inmates of medium-minimum security facilities certain wages and to charge such inmates for room, board, and other expenses incidental to their confinement;*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2057: A bill for an act relating to the city of Duluth;

liquor license for the arena-auditorium complex; amending Laws 1967, Chapter 406, Section 1, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, after "and" insert "*their*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2161: A bill for an act relating to intoxicating liquor; authorizing temporary short term on-sale licenses for a certain charitable festival.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, after "University." insert "The temporary license shall be subject to local ordinances and to such terms, including a license fee, as the issuing authority shall prescribe."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2108: A bill for an act relating to commerce; interest rates on money; exempting agricultural credit corporations from interest rate limitations; amending Minnesota Statutes 1974, Section 334.06.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2033: A bill for an act relating to municipalities; temporary investment of surplus funds; amending Minnesota Statutes, 1975 Supplement, Section 471.561.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, strike the comma and insert "*or*"

Page 1, line 20, after "*thereof*" insert a comma

Page 2, line 6, strike "*institute*" and insert "*institution*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was re-referred

S. F. No. 1223: A bill for an act relating to public welfare; authorizing grants for programs of child care services; altering allocations of grants; authorizing child care service areas and agencies; amending Minnesota Statutes 1974, Sections 245.83, Subdivisions 2 and 5, and by adding subdivisions; 245.84; 245.85; 245.86; 245.87; and Chapter 245, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 245.83, Subdivision 2, is amended to read:

Subd. 2. [PUBLIC WELFARE; CHILD CARE SERVICES.] "*Child care service services*" means a family day care home homes , group family day care homes, group day care center for six or more children centers , nursery schools, day nurseries, child day care centers , and play groups and group family day care homes Head Start, and parent cooperatives, as defined by such the rules and regulations as the commissioner shall promulgate from time to time , as well as in-home child care as defined in the Minnesota plan for social services to families and children .

Sec. 2. Minnesota Statutes 1974, Section 245.83, Subdivision 5, is amended to read:

Subd. 5. "Interim financing" means funds to carry out such activities as are necessary for family day care homes, group family day care homes and cooperative child care centers to receive or maintain state licensing, and operating funds for a period of six consecutive months following receipt of state licensing by a family day care home, group family day care home, or cooperative child care center. Interim financing may not exceed a period of 18 months except under such conditions as the commissioner may promulgate from time to time.

Sec. 3. Minnesota Statutes 1974, Section 245.84, is amended to read:

245.84 [AUTHORIZATION TO MAKE GRANTS.] *Subdivision 1.* The commissioner is authorized to make such provisional grants from the general fund in the state treasury to any municipality, county, corporation or combination thereof for the cost of planning, establishing, maintaining or operating a providing technical assistance and child care service services as the commissioner deems necessary or proper to carry out the purposes of sections 245.83 to 245.87. The planning, establishing, maintaining or operating of a child care service may include but is not limited to the leasing, renting, constructing, renovating, or purchasing of necessary facilities, equipment or supplies for such service.

*Subd. 2.* The commissioner is further authorized to make provisional grants as provided by sections 245.83 to 245.87 to any such municipality, county, or private corporation, licensed child care facility or combination thereof, to establish and operate a program to aid in the coordination of child care within a defined commun-

ity, to aid in the development of social, emotional, educational and physical conditions under which children can best develop within a defined community and to provide for the needs of economically disadvantaged children. No grant shall exceed 50 percent of the total cost of the establishment and operation of a child care service or a program as set forth in this section except for an interim financing grant which shall not exceed 75 percent for the cost of any of the following:

(a) Startup of new licensed day care facilities and expansion of existing facilities including, but not limited to, the cost of supplies, equipment, and facility renovation and remodeling;

(b) Enrichment of licensed day care facility programs, including, but not limited to, the cost of staff specialists, staff training, supplies, equipment, and facility renovation and remodeling;

(c) Supportive child development services including, but not limited to, inservice training, curriculum development, consulting specialists, resource centers, and program and resource materials;

(d) Operation of programs including, but not limited to, staff, supplies, equipment, facility renovation, and training; and

(e) Interim financing as described in section 245.83, subdivision 5.

Subd. 3. The commissioner is further authorized to make grants to counties, municipalities, corporations, or licensed day care facilities to fund services under a sliding fee scale program in accordance with rules promulgated by the commissioner. The commissioner shall review annually the sliding fee scale. Excluding that portion charged to parents, grants for sliding fee services shall not exceed 95 percent of the total cost of the services for fiscal year 1977, 85 percent of the cost for fiscal year 1978, and 75 percent of the cost for each year thereafter.

Subd. 4. For the purposes of this section, donated professional and volunteer services, program materials, equipment, supplies, and facilities may be approved as constituting part of matching share of the costs. In determining the matching share of the costs for a sliding fee program, that portion of the costs charged to parents shall be excluded from the total costs of the program.

Subd. 5. The commissioner shall appoint an advisory committee on child care council of not more than 25 people which 35 persons who shall advise the commissioner on grants in aid to licensed child care facilities, one-third of these appointed shall consist of parent users of licensed child day care facilities making grants and other child care issues. One third of the members of the advisory council shall be parent users of child care services.

Subd. 6. The commissioner shall annually develop a plan for the distribution of available funds to child care service programs. All licensed child care services shall be notified by the commissioner of the availability of funds and informed by him of the application process. Applications shall be reviewed for program plan and budget; and grants shall be awarded to those child care services whose applications are approved by the commissioner.

Sec. 3. Minnesota Statutes 1974, Section 245.85, is amended to read:

**245.85 [TERMINATION OF ALL OR PART OF A GRANT.]** The commissioner shall supervise and coordinate all child care services and programs for which a grant has been made pursuant to sections 245.83 to 245.87, and shall endeavor insofar as possible to establish a set of program standards and uniform regulations to coordinate child care services and programs at the state and local level. The commissioner shall, from time to time, review the budgets, expenditures and development of each child care service and program to which a grant has been made pursuant to sections 245.83 to 245.87. If the commissioner determines that any portion of the grants made to establish and operate a child care service or a program are no longer needed, that local support is not available to finance the local share of the cost of ~~such the~~ service or programs, or that ~~such the service services~~ or programs do not comply with the rules, regulations, standards or requirements of the commissioner, the commissioner may, upon 30 days notice, withdraw any funds not allocated prior to the delivery of ~~such the~~ notice and cancel the grant to the extent of ~~such the~~ withdrawal.

Funds which have not been allocated by the end of the 18th month of the biennium for each year of the biennium which have not been granted by the end of the sixth month of that year shall be allocated without regard to area or purpose restrictions set forth in ~~section sections~~ 245.86 or 245.87 .

Sec. 4. Minnesota Statutes 1974, Section 245.86, is amended to read:

**245.86 [AUTHORIZATION TO COUNTIES AND MUNICIPALITIES TO MAKE GRANTS.]** Any county or municipality may make grants from special tax revenues or from its general fund to any organization, governmental or corporate, for the same purposes for which the commissioner is authorized to make grants by sections 245.83 to 245.87. ~~The above funds and an amount of funds established as a usual rate for donations of time or services, or any combination thereof, are to provide for a 50 percent matching of county, local or private funds.~~

Sec. 5. Minnesota Statutes 1974, Section 245.87, is amended to read:

**245.87 [ALLOCATIONS.]** For the purposes of sections 245.83 to 245.87 grants shall be ~~equally~~ distributed between the metropolitan area, comprising the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, and the ~~outstate~~ area ~~other than the metropolitan area~~ so that no more than 55 percent of the total fund goes to either area , ~~after excluding the allocations for migrant day care services, administrative cost, and statewide projects~~ . At least ten percent of the total allocation shall be designated for interim financing. For the purposes of ~~Laws 1973, Chapter 584, sections 245.83 to 245.87~~ the commissioner is further instructed that the allocation in each area be based on a need and population basis."

Further, amend the title as follows:

Page 1, line 4, strike "authorizing child care"

Page 1, line 5, strike "service areas and agencies;"

Page 1, line 7, strike ", and by adding subdivisions"

Page 1, line 8, after "245.86;" insert "and"

Page 1, line 8, strike "; and Chapter 245, by adding a " and insert a period

Page 1, strike line 9

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1904 for comparison to companion Senate Files, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1904	1918				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1904 be amended as follows:

Page 2, line 5, delete "by mail by a political subdivision or" and insert "by the political subdivision"

Page 2, line 6, delete "landowner"

Page 2, line 8, delete "or"

Page 2, line 9, delete "landowner"

Page 2, line 11, after "Minnesota" insert "state"

Page 2, line 12, delete "or landowner who" and insert "which"

And when so amended, H. F. No. 1904 will be identical to S. F. No. 1918 and further recommends that H. F. No. 1904 be given its second reading and substituted for S. F. No. 1918 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 1880, 1996, 2040, 1388, 2076, 2057, 2161, 2108, 2033 and 1223 were read the second time.

#### SECOND READING OF HOUSE BILLS

H. F. No. 1904 was read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Olson, A. G. moved that H. F. No. 2170 be withdrawn from the Committee on Local Government and re-referred to the Committee on Rules and Administration for comparison to S. F. No. 2040, now on the Calendar of Ordinary Matters. The motion prevailed.

Mr. Chenoweth moved that the report from the Committee on Metropolitan and Urban Affairs, reported February 16, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the foregoing report be now adopted. The motion prevailed.

**CONFIRMATION**

Mr. Chenoweth moved that in accordance with the report from the Committee on Metropolitan and Urban Affairs, reported February 16, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

**METROPOLITAN COUNCIL**

Gary Pagel, 398 Rehnberg Place, West St. Paul, Dakota County, appointed effective October 9, 1975, for a term expiring January 1, 1979.

George Dahlvang, 4535 Washburn Avenue North, Minneapolis, Hennepin County, appointed effective October 9, 1975, for a term expiring January 1, 1979.

The motion prevailed. So the appointments were confirmed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Chenoweth moved that the report from the Committee on Metropolitan and Urban Affairs, reported February 16, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the foregoing report be now adopted. The motion prevailed.

**CONFIRMATION**

Mr. Chenoweth moved that in accordance with the report from the Committee on Metropolitan and Urban Affairs, reported February 16, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

**METROPOLITAN TRANSIT COMMISSION**

J. Douglas Kelm, 2107 Iglehart Avenue, St. Paul, Ramsey County, appointed effective January 6, 1975, for a term expiring January 1, 1979.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 49 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Ogdahl	Sillers
Arnold	Dunn	Kleinbaum	Olson, H. D.	Solon
Ashbach	Frederick	Kowalczyk	Olson, J. L.	Spear
Bang	Hansen, Baldy	Larson	O'Neill	Stassen
Bernhagen	Hansen, Mel	Laufenburger	Patton	Stokowski
Blatz	Hanson, R.	McCutcheon	Pillsbury	Stumpf
Brataas	Hughes	Merriam	Purfeerst	Ueland
Brown	Humphrey	Milton	Renneke	Wegener
Chmielewski	Josefson	Moe	Schmitz	Willet
Coleman	Keefe, J.	Nelson	Schrom	

Those who voted in the negative were:

Berg	Gearty	North	Schaaf	Tennessee
Davies	Knutson	Olson, A. G.		

The motion prevailed. So the appointment was confirmed.

### RECONSIDERATION

Mr. Davies moved that the vote whereby S. F. No. 1905 failed to pass the Senate on February 19, 1976, be now reconsidered. The motion did not prevail. So the vote was not reconsidered.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. North moved that S. F. No. 932 be taken from the table. The motion prevailed.

Mr. North moved that the Senate do not concur in the amendments by the House to S. F. No. 932 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

### THIRD READING OF SENATE BILLS

S. F. No. 1841: A bill for an act relating to state agencies; providing for an open appointment process; requiring reports from appointing authorities and the secretary of state.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Brown	Gearty	Keefe, S.	Merriam
Arnold	Chenoweth	Hansen, Baldy	Kleinbaum	Milton
Ashbach	Chmielewski	Hansen, Mel	Knutson	Moe
Bang	Coleman	Hanson, R.	Kowalczyk	Nelson
Berg	Davies	Hughes	Larson	North
Bernhagen	Doty	Humphrey	Laufenburger	Ogdahl
Blatz	Dunn	Josefson	Lewis	Olhoff
Brataas	Frederick	Keefe, J.	McCutcheon	Olson, A. G.

Olson, H. D.	Pillsbury	Schmitz	Spear	Tennessee
Olson, J. L.	Purfeerst	Schrom	Stassen	Ueland
O'Neill	Renneke	Sillers	Stokowski	Wegener
Patton	Schaaf	Solon	Stumpf	Willet

So the bill passed and its title was agreed to.

S. F. No. 2034: A bill for an act relating to natural resources; authorizing the marking and designation of canoe and boating routes on the Straight River; amending Minnesota Statutes 1974, Section 85.32, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	North	Schmitz
Arnold	Doty	Kleinbaum	Ogdahl	Sillers
Ashbach	Dunn	Knutson	Olhott	Solon
Bang	Frederick	Kowalczyk	Olson, A. G.	Spear
Berg	Gearty	Larson	Olson, H. D.	Stassen
Bernhagen	Hansen, Baldy	Laufenburger	Olson, J. L.	Stokowski
Blatz	Hansen, Mel	Lewis	O'Neill	Stumpf
Brataas	Hanson, R.	McCutcheon	Patton	Tennessee
Brown	Hughes	Merriam	Pillsbury	Ueland
Chenoweth	Humphrey	Milton	Purfeerst	Wegener
Chmielewski	Josefson	Moe	Renneke	Willet
Coleman	Keefe, J.	Nelson	Schaaf	

Mr. Schrom voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1796: A bill for an act relating to welfare; excluding certain payments made to members of Indian tribes from resources considered in determining eligibility for general assistance; amending Minnesota Statutes 1974, Section 256D.08, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 40, and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Keefe, J.	Olson, A. G.	Sillers
Arnold	Doty	Keefe, S.	Olson, H. D.	Solon
Bang	Dunn	Kleinbaum	Olson, J. L.	Spear
Bernhagen	Gearty	Laufenburger	O'Neill	Stassen
Blatz	Hansen, Baldy	Lewis	Purfeerst	Stokowski
Brown	Hanson, R.	Milton	Schaaf	Stumpf
Chenoweth	Hughes	Moe	Schmitz	Wegener
Chmielewski	Humphrey	Ogdahl	Schrom	Willet

Those who voted in the negative were:

Brataas	Knutson	McCutcheon	North	Pillsbury
Frederick	Kowalczyk	Merriam	Olhoff	Renneke
Hansen, Mel	Larson	Nelson	Patton	Ueland
Josefson				

So the bill passed and its title was agreed to.

S. F. No. 357: A bill for an act relating to the university of Minnesota board of regents; providing for student or recent graduate members; amending Minnesota Statutes 1974, Chapter 137, by adding a section.

Was read the third time and placed on its final passage.

#### CALL OF THE SENATE

Mr. Stassen imposed a call of the Senate. The following Senators answered to their names:

Anderson	Doty	Kleinbaum	Olhoff	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hansen, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

The Sergeant-at-Arms was instructed to bring in the absent members.

The question being taken on the passage of S. F. No. 357,

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

And the roll being called, there were yeas 34 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Moe	Sillers
Ashbach	Frederick	Kirchner	Nelson	Solon
Bang	Hansen, Mel	Knutson	Olson, J. L.	Spear
Bernhagen	Hansen, R.	Kowalczyk	O'Neill	Stassen
Blatz	Humphrey	Larson	Patton	Stumpf
Brataas		Merriam	Renneke	Ueland
Brown	Keefe, J.	Milton	Schmitz	

Those who voted in the negative were:

Arnold	Dunn	Lewis	Olson, A. G.	Schrom
Berg	Gearty	McCutcheon	Olson, H. D.	Stokowski
Chenoweth	Hansen, Baldy	North	Pillsbury	Tennessee
Chmielewski	Hughes	Ogdahl	Purfeerst	Wegener
Coleman	Kleinbaum	Olhoff	Schaaf	Willet
Davies	Laufenburger			

So the bill passed and its title was agreed to.

S. F. No. 1901: A bill for an act relating to cooperative associations; providing for changes in the electing of directors; amending Minnesota Statutes 1974, Sections 308.09, Subdivision 1; and 308.11.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	North	Schmitz
Arnold	Doty	Kleinbaum	Ogdahl	Schrom
Ashbach	Dunn	Knutson	Olhoft	Sillers
Bang	Frederick	Kowalczyk	Olson, A. G.	Solon
Berg	Gearly	Larson	Olson, H. D.	Spear
Bernhagen	Hansen, Baldy	Laufenburger	Olson, J. L.	Stassen
Blatz	Hansen, Mel	Lewis	O'Neill	Stokowski
Brataas	Hanson, R.	McCutcheon	Patton	Stumpf
Brown	Hughes	Merriam	Pillsbury	Tennessee
Chenoweth	Humphrey	Milton	Purfeerst	Ueland
Chmielewski	Keefe, J.	Moe	Renneke	Wegener
Coleman	Keefe, S.	Nelson	Schaaf	Willet

So the bill passed and its title was agreed to.

S. F. No. 995: A bill for an act relating to agriculture; regulating pesticides; providing a penalty; amending Minnesota Statutes 1974, Sections 21.47, Subdivisions 8 and 9; and 21.49, Subdivision 1; repealing Minnesota Statutes 1974, Sections 18.031; 18.032, Subdivisions 1 to 5, 7, and 8; 18.0321 to 18.036; 18A.01; 18A.02, Subdivisions 1, 2, 4, and 5; 18A.03 to 18A.11; 24.069; 24.071; 24.072, Subdivisions 1, 3, and 5; 24.0721 to 24.077; Minnesota Statutes, 1975 Supplement, Sections 18.032, Subdivision 6; 18A.02, Subdivision 3; and 24.072, Subdivisions 2 and 4.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearly	Larson	Olson, J.L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 1866: A bill for an act relating to Blue Earth county; welfare board; authorizing the welfare board to maintain certain contingency funds.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59, and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	North	Schrom
Arnold	Doty	Kirchner	Ogdahl	Sillers
Ashbach	Dunn	Kleinbaum	Olhoff	Solon
Bang	Frederick	Knutson	Olson, A. G.	Spear
Berg	Gearty	Kowalczyk	Olson, H. D.	Stassen
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Stokowski
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stumpf
Brataas	Hanson, R.	McCutcheon	Patton	Tennessee
Brown	Hughes	Merriam	Pillsbury	Ueland
Chenoweth	Humphrey	Milton	Renneke	Wegener
Chmielewski	Josefson	Moe	Schaaf	Willet
Coleman	Keefe, J.	Nelson	Schmitz	

So the bill passed and its title was agreed to.

S. F. No. 1740: A bill for an act relating to counties; authorizing county boards to establish personnel departments; providing for county personnel administration on an integrated, merit basis.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	North	Schmitz
Arnold	Doty	Kirchner	Ogdahl	Sillers
Ashbach	Dunn	Kleinbaum	Olhoff	Solon
Bang	Frederick	Kowalczyk	Olson, A. G.	Spear
Berg	Gearty	Larson	Olson, H. D.	Stassen
Bernhagen	Hansen, Baldy	Laufenburger	Olson, J. L.	Stokowski
Blatz	Hansen, Mel	Lewis	O'Neill	Stumpf
Brataas	Hanson, R.	McCutcheon	Patton	Tennessee
Brown	Hughes	Merriam	Pillsbury	Ueland
Chenoweth	Humphrey	Milton	Purfeerst	Wegener
Chmielewski	Josefson	Moe	Renneke	Willet
Coleman	Keefe, J.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 674: A bill for an act relating to administrative procedure; requiring agency estimates of the cost of proposed rules to local public bodies; delaying the effective date of rules involving costs to local public bodies; amending Minnesota Statutes, 1975 Supplement, Section 15.0412, by adding subdivisions.

With the unanimous consent of the Senate, Mr. Hughes moved to amend S. F. No. 674 as follows:

Page 2, line 3, strike "6" and insert "7"

The motion prevailed. So the amendment was adopted.

S. F. No. 674 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

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

S. F. No. 1974: A bill for an act relating to courts; lapse of causes of action arising outside the state; amending Minnesota Statutes 1974, Section 541.14.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	Ogdahl	Schrom
Arnold	Frederick	Knutson	Olhoft	Sillers
Ashbach	Gearty	Kowalczyk	Olson, A. G.	Solon
Bang	Hansen, Baldy	Larson	Olson, H. D.	Spear
Berg	Hansen, Mel	Laufenburger	Olson, J. L.	Stassen
Brataas	Hanson, R.	Lewis	O'Neill	Stokowski
Brown	Hughes	McCutcheon	Patton	Stumpf
Chenoweth	Humphrey	Merriam	Pillsbury	Tennessee
Chmielewski	Josefson	Milton	Purfeerst	Ueland
Coleman	Keefe, J.	Moe	Renneke	Wegener
Davies	Keefe, S.	Nelson	Schaaf	Willet
Doty	Kirchner	North	Schmitz	

So the bill passed and its title was agreed to.

S. F. No. 1973: A bill for an act relating to courts; time limitations on actions when party is outside the state; amending Minnesota Statutes 1974, Section 541.13.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoff	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 2030: A bill for an act relating to elections; providing for the affidavits of candidacy of candidates for judicial office; amending Laws 1975, Chapter 5, Section 12, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoff	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 1763: A bill for an act relating to motor vehicle sales finance companies; establishing fees and permitting refunds of fees; requiring written agreements to extend, defer or renew contracts; amending Minnesota Statutes 1974, Sections 168.67; and 168.74.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessen
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 1764: A bill for an act relating to safe deposit companies; exempting savings associations from licensing and bonding requirements; examination fees; amending Minnesota Statutes 1974, Sections 55.06, Subdivision 1; and 55.095.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Ogdahl	Schrom
Arnold	Doty	Knutson	Olhoft	Sillers
Ashbach	Dunn	Kowalczyk	Olson, A. G.	Solon
Bang	Gearty	Larson	Olson, H. D.	Spear
Berg	Hansen, Baldy	Laufenburger	Olson, J. L.	Stassen
Bernhagen	Hansen, Mel	Lewis	O'Neill	Stokowski
Blatz	Hanson, R.	McCutcheon	Patton	Stumpf
Brataas	Hughes	Merriam	Pillsbury	Tennessen
Brown	Humphrey	Milton	Purfeerst	Ueland
Chenoweth	Josefson	Moe	Renneke	Wegener
Chmielewski	Keefe, J.	Nelson	Schaaf	Willet
Coleman	Keefe, S.	North	Schmitz	

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 447: A bill for an act relating to real estate brokers and salespersons; authorizing establishment of special licenses applicable solely to the rental or management of real estate; amending Minnesota Statutes 1974, Sections 82.20, Subdivision 1; and 82.22, Subdivision 6.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrott	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 1721: A bill for an act relating to education; vocational-technical institutes; providing for student associations.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrott	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 717: A bill for an act relating to optometric education; higher education coordinating commission; providing for a study of the availability of educational opportunities in optometry for Minnesota students.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoff	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 945: A bill for an act relating to employment services; unemployment compensation; excluding and exempting family farm corporation officers from certain provisions; amending Minnesota Statutes 1974, Section 268.04, Subdivision 12, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	Ogdahl	Schrom
Arnold	Doty	Kleinbaum	Olhoff	Sillers
Ashbach	Dunn	Knutson	Olson, A. G.	Solon
Bang	Frederick	Kowalczyk	Olson, H. D.	Spear
Berg	Gearty	Larson	Olson, J. L.	Stassen
Bernhagen	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Blatz	Hansen, Mel	Lewis	Patton	Stumpf
Brataas	Hanson, R.	Merriam	Pillsbury	Tennessee
Brown	Hughes	Milton	Purfeerst	Ueland
Chenoweth	Humphrey	Moe	Renneke	Wegener
Chmielewski	Josefson	Nelson	Schaaf	Willet
Coleman	Keefe, J.	North	Schmitz	

So the bill passed and its title was agreed to.

H. F. No. 1527: A bill for an act relating to motor vehicles; providing for licensing and taxation; providing penalties; amending Minnesota Statutes, 1973 Supplement, Section 168.013, Subdivisions 1c and 1e, and 1g, as amended; and Minnesota Statutes 1974, Sections 168.012, Subdivision 7; 168.09, Subdivision 3; and 168.31, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 1104: A bill for an act relating to highway traffic regulations; equipment on certain vehicles; requiring tires on certain vehicles to meet requirements of the commissioner of public safety; prohibiting the sale, other than to a dealer, of certain vehicles with unsafe tires; and prescribing penalties.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 42 and nays 17, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Kowalczyk	Olson, H. D.	Stassen
Arnold	Gearty	Laufenburger	O'Neill	Stokowski
Bang	Hansen, Mel	Lewis	Patton	Stumpf
Brataas	Hanson, R.	McCutcheon	Pillsbury	Tennessee
Brown	Hughes	Merriam	Purfeerst	Ueland
Chenoweth	Humphrey	Milton	Schaaf	Wegener
Coleman	Keefe, J.	Nelson	Schmitz	
Davies	Keefe, S.	North	Solon	
Doty	Kleinbaum	Ogdahl	Spear	

Those who voted in the negative were:

Ashbach	Chmielewski	Kirchner	Olhoft	Schrom
Berg	Dunn	Knutson	Olson, J. L.	Sillers
Bernhagen	Hansen, Baldy	Larson	Renneke	Willet
Blatz	Josefson			

So the bill passed and its title was agreed to.

H. F. No. 951: A bill for an act relating to education; state colleges; authorizing the state college board to enter into reciprocity agreements with foreign institutions; amending Minnesota Statutes 1974, Section 136.111, Subdivisions 1 and 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Dunn	Humphrey	Kowalczyk
Arnold	Brown	Frederick	Josefson	Larson
Ashbach	Chenoweth	Gearty	Keefe, J.	Laufenburger
Bang	Chmielewski	Hansen, Baldy	Keefe, S.	Lewis
Berg	Coleman	Hansen, Mel	Kirchner	McCutcheon
Bernhagen	Davies	Hanson, R.	Kleinbaum	Merriam
Blatz	Doty	Hughes	Knutson	Milton

Moe	Olson, H. D.	Purfeerst	Sillers	Stumpf
Nelson	Olson, J. L.	Renneke	Solon	Tennessee
North	O'Neill	Schaaf	Spear	Ueland
Ogdahl	Patton	Schmitz	Stassen	Wegener
Olhoft	Pillsbury	Schrom	Stokowski	Willet

So the bill passed and its title was agreed to.

H. F. No. 369: A bill for an act relating to the legislature; providing for the filing of state documents with the legislature; establishing duties of legislative reference library; amending Minnesota Statutes 1974, Sections 3.195; and 3.302, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 1829: A bill for an act relating to insurance; regulation of insurance premium finance companies; maintenance of records; charging examination fees; requiring reports; amending Minnesota Statutes 1974, Section 59A.06.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 1057: A bill for an act relating to education; school districts; Independent School District No. 518; powers and duties; requiring a public hearing and providing for an election before closing a schoolhouse; amending Minnesota Statutes 1974, Section 123.36, by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Dunn	Knutson	Olson, A. G.	Spear
Ashbach	Fredenick	Kowalczyk	Olson, H. D.	Stassen
Bang	Gearty	Larson	Olson, J. L.	Stokowski
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Mel	Lewis	Patton	Tennessee
Blatz	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brataas	Hughes	Merriam	Purfeerst	Wegener
Brown	Humphrey	Milton	Renneke	Willet
Chenoweth	Josefson	Moe	Schaaf	
Chmielewski	Keefe, J.	Nelson	Schmitz	
Coleman	Keefe, S.	North	Schrom	
Davies	Kirchner	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

#### CALENDAR OF ORDINARY MATTERS

S. F. No. 1635: A bill for an act relating to real estate; changing the name of register of deeds and office of register of deeds to county recorder and office of county recorder.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 54 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kirchner	Olhoft	Sillers
Arnold	Dunn	Kleinbaum	Olson, A. G.	Solon
Ashbach	Gearty	Knutson	Olson, H. D.	Spear
Bang	Hansen, Baldy	Kowalczyk	O'Neill	Stassen
Bernhagen	Hansen, Mel	Larson	Patton	Stokowski
Blatz	Hanson, R.	Laufenburger	Pillsbury	Stumpf
Brataas	Hughes	Lewis	Purfeerst	Tennessee
Brown	Humphrey	Merriam	Renneke	Ueland
Chenoweth	Josefson	Moe	Schaaf	Wegener
Chmielewski	Keefe, J.	Nelson	Schmitz	Willet
Coleman	Keefe, S.	North	Schrom	

Messrs. Davies and Olson, J. L. voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule No. 9, there being three objectors, S. F. No. 1685 was stricken from the Calendar of Ordinary Matters and placed on General Orders.

S. F. No. 1868: A bill for an act relating to certain counties; requiring the filing of certain surveys with the county surveyor; amending Minnesota Statutes, 1975 Supplement, Section 389.08.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Nelson	Schmitz
Arnold	Doty	Kirchner	North	Schrom
Ashbach	Dunn	Kleinbaum	Olhoff	Sillers
Bang	Frederick	Knutson	Olson, A. G.	Solon
Berg	Gearty	Kowalczyk	Olson, H. D.	Spear
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Brataas	Hanson, R.	Lewis	Patton	Stumpf
Brown	Hughes	McCutcheon	Pillsbury	Tennessen
Chenoweth	Humphrey	Merriam	Purfeerst	Ueland
Chmielewski	Josefson	Milton	Renneke	Wegener
Coleman	Keefe, J.	Moe	Schaaf	Willet

So the bill passed and its title was agreed to.

S. F. No. 2068: A bill for an act authorizing the conveyance by the state of a certain easement over certain lands in the county of Washington.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kirchner	North	Schrom
Arnold	Dunn	Kleinbaum	Olhoff	Sillers
Ashbach	Frederick	Knutson	Olson, A. G.	Solon
Bang	Gearty	Kowalczyk	Olson, H. D.	Spear
Berg	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Bernhagen	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Blatz	Hanson, R.	Lewis	Patton	Stumpf
Brataas	Hughes	McCutcheon	Pillsbury	Tennessen
Brown	Humphrey	Merriam	Purfeerst	Ueland
Chmielewski	Josefson	Milton	Renneke	Wegener
Coleman	Keefe, J.	Moe	Schaaf	Willet
Davies	Keefe, S.	Nelson	Schmitz	

So the bill passed and its title was agreed to.

H. F. No. 1191: A bill for an act relating to the city of Austin, membership of new police and firemen in the public employees retirement association.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Nelson	Schmitz
Arnold	Dunn	Kirchner	North	Schrom
Ashbach	Frederick	Kleinbaum	Olhoff	Sillers
Bang	Gearty	Knutson	Olson, A. G.	Solon
Berg	Hansen, Baldy	Kowalczyk	Olson, H. D.	Spear
Bernhagen	Hansen, Mel	Larson	Olson, J. L.	Stassen
Blatz	Hanson, R.	Laufenburger	O'Neill	Stokowski
Brataas	Hughes	Lewis	Patton	Stumpf
Brown	Humphrey	Merriam	Pillsbury	Tennessen
Chmielewski	Josefson	Milton	Purfeerst	Ueland
Coleman	Keefe, J.	Moe	Renneke	Wegener

Mr. Doty voted in the negative.

So the bill passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 9:30 o'clock a.m., Thursday, February 26, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SEVENTY-SIXTH DAY**

St. Paul, Minnesota, Wednesday, February 25, 1976

The House of Representatives met on Wednesday, February 25, 1976, which was the Seventy-Sixth Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.

## SEVENTY-SEVENTH DAY

St. Paul, Minnesota, Thursday, February 26, 1976

The Senate met at 9:30 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Conzemius imposed a call of the Senate. The following Senators answered to their names:

Anderson	Davies	Jensen	Ogdahl	Schmitz
Arnold	Doty	Keefe, S.	Olhoft	Schrom
Blatz	Dunn	Kirchner	Olson, A. G.	Spear
Borden	Gearty	Kowalczyk	Olson, J. L.	Stokowski
Brataas	Hansen, Baldy	Larson	Patton	Tennessee
Chenoweth	Hanson, R.	Lewis	Perpich, A. J.	Ueland
Chmielewski	Hughes	McCutcheon	Perpich, G.	
Conzemius	Humphrey	Milton	Pillsbury	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. William Schonebaum.

The roll being called, the following Senators answered to their names:

Anderson	Dunn	Kleinbaum	Olhoft	Schrom
Arnold	Gearty	Knutson	Olson, A. G.	Sillers
Ashbach	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Blatz	Hansen, Mel	Larson	Olson, J. L.	Spear
Borden	Hanson, R.	Laufenburger	O'Neill	Stokowski
Brataas	Hughes	Lewis	Patton	Stumpf
Brown	Humphrey	McCutcheon	Perpich, A. J.	Tennessee
Chenoweth	Jensen	Merriam	Perpich, G.	Ueland
Chmielewski	Josefson	Milton	Pillsbury	Willet
Conzemius	Keefe, J.	Nelson	Renneke	
Davies	Keefe, S.	North	Schaaf	
Doty	Kirchner	Ogdahl	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Bang; Berg; Bernhagen; Blatz; Coleman; Fitzsimons; Frederick; Moe; Olson, H. D.; Purfeerst; Stassen; Wegener and Willet were excused from the Session of today. Mr. Schrom was excused from the Session of today at 10:00 o'clock a.m. Mr. Arnold was excused from the Session of today at 10:30 o'clock a.m. Mr.

Hansen, Mel was excused from the Session of today at 11:00 o'clock a.m. Mr. Renneke was excused from the Session of today at 12:30 o'clock p.m. Mr. McCutcheon was excused from the Session of today at 1:00 o'clock p.m.

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Keefe, S.; Bang and Solon introduced—

S. F. No. 2285: A bill for an act relating to financial institutions; permitting the establishment and operation of electronic funds transfer facilities; permitting the operation of point-of-sale terminals by financial institutions and other persons; prescribing the powers and duties of the commissioner of banks in relation to funds transfer facilities; protecting the privacy and security of customers of financial institutions who use electronic funds transfer facilities; prescribing penalties.

Referred to the Committee on Labor and Commerce.

Messrs. Spear and Kleinbaum introduced—

S. F. No. 2286: A bill for an act relating to health care; requiring certain subscribers' contracts and accident and health insurance policies to provide coverage of services rendered by clinical psychologists; amending Minnesota Statutes 1974, Chapter 62A by adding a section; and Section 62C.14 by adding a subdivision.

Referred to the Committee on Labor and Commerce.

Mr. Chmielewski introduced—

S. F. No. 2287: A bill for an act relating to highway traffic regulations; special permits for oversize and overweight vehicles; authorizing an annual permit for refuse compactor vehicles not exceeding certain specified weights and prescribing the fee therefor; amending Minnesota Statutes 1974, Section 169.86, Subdivision 5.

Referred to the Committee on Transportation and General Legislation.

Messrs. Willet, Conzemius and Arnold introduced—

S. F. No. 2288: A bill for an act relating to Indian affairs; renaming the board on Indian affairs; providing a change in membership for the board; changing the duties of the board; amending Minnesota Statutes 1974, Section 3.922, as amended.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Solon, Bang and Kleinbaum introduced—

S. F. No. 2289: A bill for an act relating to crimes; prohibiting devices intended to be used to avoid payment of long distance telecommunications services; prescribing penalties; amending Minnesota Statutes 1974, Section 609.785.

Referred to the Committee on Judiciary.

Mr. Laufenburger introduced—

S. F. No. 2290: A bill for an act relating to drivers' licenses; classifications thereof; specifying the types of vehicles that may be driven by the holder of the various classes of licenses; defining gross vehicle weight; amending Minnesota Statutes 1974, Section 171.02, Subdivision 2.

Referred to the Committee on Transportation and General Legislation.

Messrs. Laufenburger and Kowalczyk introduced—

S. F. No. 2291: A bill for an act relating to insurance; revising financial requirements for certain insurance companies; amending Minnesota Statutes 1974, Section 60A.07, Subdivisions 5a, 5b, 5c and 5d.

Referred to the Committee on Labor and Commerce.

Messrs. Keefe, S.; Bang and Spear introduced—

S. F. No. 2292: A bill for an act relating to insurance; providing for the establishment and operation of a Minnesota life and health insurance guaranty association to protect policyowners, insureds, beneficiaries, and others against the failure of an insurer doing business in Minnesota to perform its contractual obligations; amending Minnesota Statutes 1974, Sections 60B.17, by adding a subdivision; 60B.25; 60B.30, by adding a subdivision; and 60B.46, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Willet, Chmielewski and Purfeerst introduced—

S. F. No. 2293: A bill for an act relating to aeronautics; appropriating and transferring money for construction of hangers.

Referred to the Committee on Transportation and General Legislation.

Messrs. Nelson, Patton and Blatz introduced—

S. F. No. 2294: A bill for an act relating to taxation; providing an inflation adjustment for the income tax rate schedule; amending Minnesota Statutes 1974, Section 290.06, by adding a subdi-

vision; and Minnesota Statutes, 1975 Supplement, Section 290.06, Subdivision 2c.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Nelson, Patton and Blatz introduced—

S. F. No. 2295: A bill for an act relating to taxation; extending pollution control equipment credits; providing for credits against tax and deductions from income for the cost of certain equipment and investments; permitting increased withholding based on itemized deductions; eliminating the payroll tax; amending Minnesota Statutes 1974, Section 290.06, Subdivisions 9 and 9a, and by adding subdivisions; 290.09, by adding subdivisions; and 290.92, by adding a subdivision; repealing Minnesota Statutes 1974, Sections 290.031; 290.921; and 290.922.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schmitz, Renneke and Purfeerst introduced—

S. F. No. 2296: A bill for an act relating to retirement; including employees of soil and water conservation districts in membership in the public employees retirement association; amending Minnesota Statutes, 1975 Supplement, Section 353.01, Subdivision 6; and Minnesota Statutes 1974, Chapter 353, by adding a section.

Referred to the Committee on Governmental Operations.

Mr. Pillsbury introduced—

S. F. No. 2297: A bill for an act relating to taxation; exempting expenditures for special assessments from levy limits of school districts; amending Minnesota Statutes 1974, Section 275.125, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Conzemius, Frederick and Olson, A. G. introduced—

S. F. No. 2298: A bill for an act relating to motor vehicles; motor vehicle excise tax on vehicles purchased for resale; use of motor vehicles bearing motor vehicle dealer plates; amending Minnesota Statutes 1974, Sections 168.27, Subdivision 5; 297B.-01, Subdivision 6; and Chapter 297B, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Purfeerst, Laufenburger and Josefson introduced—

S. F. No. 2299: A bill for an act relating to highways; appropriating money to the highway department study commission.

Referred to the Committee on Transportation and General Legislation.

Messrs. Olson, H. D.; Olson, J. L. and Borden introduced—

S. F. No. 2300: A bill for an act relating to livestock sanitation; providing indemnification to owners of condemned cattle by reason of being nonreactors to the brucellosis test, or by reason of being exposed to brucellosis and not eligible for test; authorizing indemnity to owners of grade bulls slaughtered because of certain other dangerous diseases; amending Minnesota Statutes 1974, Section 35.09, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Laufenburger introduced—

S. F. No. 2301: A bill for an act relating to veterans affairs; changing the membership of the board of governors of the Big Island Veterans Camp; specifying persons eligible for benefits; providing duties of the board of governors; amending Minnesota Statutes 1974, Sections 197.14, 197.15 and 197.17.

Referred to the Committee on Transportation and General Legislation.

Messrs. Keefe, S.; Stassen and Davies introduced—

S. F. No. 2302: A bill for an act relating to insurance; clarifying the bidding procedure for the letting of group health care contracts covering employees of certain governmental subdivisions; requiring disclosure of certain information about the contracts; amending Minnesota Statutes 1974, Section 471.616, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. McCutcheon and Knutson introduced—

S. F. No. 2303: A bill for an act relating to public welfare; authorizing grants for community residential facilities for the cerebral palsied; appropriating money; amending Minnesota Statutes 1974, Section 252.30; and Chapter 252, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Schrom introduced—

S. F. No. 2304: A bill for an act relating to taxation; providing that sales tax on telephone service charges be payable by

person paying for the service; amending Minnesota Statutes, 1975 Supplement, Section 297A.01, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Mr. Schrom introduced—

S. F. No. 2305: A bill for an act relating to game and fish; clothing required during certain seasons; amending Minnesota Statutes 1974, Section 100.29, Subdivision 8; repealing Minnesota Statutes 1974, Section 98.52, Subdivision 5.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Milton, Kowalczyk and Keefe, S. introduced—

S. F. No. 2306: A bill for an act relating to health; providing guidelines for licensing nurse-midwives; defining registered nurse-midwife; amending Minnesota Statutes 1974, Section 148.171; and Chapter 148, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Keefe, S. introduced—

S. F. No. 2307: A bill for an act relating to telephone companies; requiring telephone companies engaged in certain operations to receive a permit from the public service commission; requiring the companies to notify the public service commission before terminating or suspending operation; providing for a hearing; permitting the public service commission to issue orders and rules.

Referred to the Committee on Labor and Commerce.

Messrs. Keefe, S. and Stokowski introduced—

S. F. No. 2308: A bill for an act relating to intoxicating liquors; licensing the sale of non-intoxicating malt liquors; amending Minnesota Statutes 1974, Section 340.02, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Messrs. Chenoweth, Stokowski and Ogdahl introduced—

S. F. No. 2309: A bill for an act relating to retirement; distribution of state aid to policemen's relief associations; amending Minnesota Statutes 1974, Sections 69.011, Subdivisions 1, 2, and 4; 69.021, Subdivisions 5, 6, and 7; and 69.031, Subdivision 5.

Referred to the Committee on Governmental Operations.

Mr. Arnold introduced—

S. F. No. 2310: A bill for an act relating to retirement; military service credit for teachers; amending Minnesota Statutes 1974, Section 354.53, Subdivision 3; and Minnesota Statutes, 1975 Supplement, Section 354.53, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski; Hansen, Mel; and Spear introduced—

S. F. No. 2311: A bill for an act relating to retirement; purchase of military service credit in the teachers retirement fund; amending Minnesota Statutes 1974, Section 354.53, Subdivision 3; and Minnesota Statutes, 1975 Supplement, Section 354.53, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Anderson, Sillers and Arnold introduced—

S. F. No. 2312: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIII, Section 3; allowing the status of the University of Minnesota to be provided by law.

Referred to the Committee on Education.

Messrs. Davies, Knutson and Tennessen introduced—

S. F. No. 2313: A bill for an act relating to commitment and discharge of inebriate persons; limiting length of commitment for inebriates; amending Minnesota Statutes 1974, Section 253A.07, Subdivision 25; Minnesota Statutes, 1975 Supplement, Sections 253A.07, Subdivision 17; and 253A.15, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S. F. No. 2314: A bill for an act relating to counties; authorizing counties to hire a fire coordinator; amending Minnesota Statutes 1974, Chapter 373, by adding a section.

Referred to the Committee on Local Government.

Messrs. Hughes, Brown and Keefe, S. introduced—

S. F. No. 2315: A bill for an act relating to elections; requiring vacancies in municipal elected offices to be filled by election; amending Minnesota Statutes 1974, Chapter 205, by adding a section.

Referred to the Committee on Transportation and General Legislation.

Mr. Chenoweth introduced—

S. F. No. 2316: A bill for an act relating to sound pollution; authorizing the pollution control agency to establish rules, standards and permits for the control of sound emanating from ground vibration; appropriating money; amending Minnesota Statutes 1974, Section 116.07, Subdivision 4a.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Chenoweth introduced—

S. F. No. 2317: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 4; providing for four year terms for representatives and for staggered terms for representatives and senators.

Referred to the Committee on Rules and Administration.

Mr. Keefe, S. introduced—

S. F. No. 2318: A bill for an act relating to highways; providing for the construction and maintenance of acoustical barriers along the perimeter of certain trunk highways; amending Minnesota Statutes, 1975 Supplement, Section 161.125.

Referred to the Committee on Transportation and General Legislation.

Mr. Keefe, S. introduced—

S. F. No. 2319: A bill for an act relating to unemployment compensation; prohibiting the denial of benefits to persons in training programs who were employed in a job involving recurring seasonal unemployment; amending Minnesota Statutes, 1975 Supplement, Section 268.08, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Spear and Keefe, S. introduced—

S. F. No. 2320: A bill for an act relating to public welfare; establishing a study commission to review the general work assistance programs; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Brown, Patton and Blatz introduced—

S. F. No. 2321: A bill for an act relating to taxation; providing an income tax credit for employing persons receiving unemployment compensation; amending Minnesota Statutes 1974, Section 290.21, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S. F. No. 2322: A bill for an act relating to motor vehicles; defining powers of the registrar of motor vehicles; providing for the appointment of private deputy registrars; providing for the appointment of a county license bureau director as deputy registrar; amending Minnesota Statutes 1974, Section 373.35, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Section 168.33, Subdivision 2; repealing Minnesota Statutes 1974, Section 373.36.

Referred to the Committee on Transportation and General Legislation.

Mr. Doty introduced—

S. F. No. 2323: A bill for an act relating to the Great Lakes Basin Compact; repealing Minnesota Statutes 1974, Sections 1.21 to 1.23; and 1.25.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Doty introduced—

S. F. No. 2324: A bill for an act relating to television; providing matching funds for certain educational television stations; providing an appropriation.

Referred to the Committee on Education.

Messrs. Moe and Willet introduced—

S. F. No. 2325: A bill for an act relating to the administration of justice; authorizing judicially imposed fees for county law libraries; amending Minnesota Statutes 1974, Sections 140.26; 140.30; 140.31; and Chapter 140, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Keefe, J.; Schrom and Brown introduced—

S. F. No. 2326: A bill for an act relating to unemployment compensation; disqualifying from benefits persons voluntarily terminating employment without good cause and persons discharged for misconduct; amending Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Keefe, J.; Gearty and Nelson introduced—

S. F. No. 2327: A bill for an act relating to courts; clarifying

fee exclusions for the Hennepin county municipal court; amending Minnesota Statutes 1974, Section 488A.03, Subdivision 11a.

Referred to the Committee on Judiciary.

Messrs. Solon, Kleinbaum and Laufenburger introduced—

S. F. No. 2328: A bill for an act relating to insurance; eliminating certain abstracting and publishing requirements for financial statements of fraternal beneficiary associations and reciprocal or interinsurance exchanges; amending Minnesota Statutes 1974, Sections 60A.13, Subdivision 7; and 60A.14, Subdivision 1; repealing Minnesota Statutes 1974, Section 60A.13, Subdivisions 3 and 4.

Referred to the Committee on Labor and Commerce.

Messrs. Olhoft, Larson and Wegener introduced—

S. F. No. 2329: A bill for an act relating to unemployment compensation; prohibiting interns 22 years of age or older from receiving unemployment compensation benefits; amending Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 12.

Referred to the Committee on Labor and Commerce.

Messrs. Laufenburger; Hanson, R. and Purfeerst introduced—

S. F. No. 2330: A bill for an act relating to municipalities; procedures required for the letting of certain contracts; amending Minnesota Statutes 1974, Section 471.345, Subdivisions 3, 4 and 5.

Referred to the Committee on Local Government.

Messrs. Pillsbury and Hansen, Mel introduced—

S. F. No. 2331: A bill for an act relating to elections; providing for candidates to receive state campaign funds; requiring certain nonparty candidates to run in primary elections; permitting some primary cross-over voting; amending Minnesota Statutes 1974, Section 10A.31; Minnesota Statutes, 1975 Supplement, Sections 202A.29, Subdivision 2; 202A.32, by adding a subdivision; 203A.22, by adding a subdivision; and 203A.23, Subdivisions 2, 7 and 8; repealing Minnesota Statutes 1974, Sections 10A.30, Subdivision 2; and 10A.32, Subdivision 4.

Referred to the Committee on Transportation and General Legislation.

Messrs. Solon and Doty introduced—

S. F. No. 2332: A bill for an act relating to the city of Duluth;

police survivor benefits; amending Laws 1953, Chapter 91, Section 11, Subdivision 1, as amended.

Referred to the Committee on Governmental Operations.

Messrs. Spear; Olson, J. L. and Kleinbaum introduced—

S. F. No. 2333: A bill for an act relating to insurance; authorizing the issuance and repayment of surplus notes by insurers under certain conditions; amending Minnesota Statutes 1974, Section 60A.07, Subdivision 10; and Chapter 60A, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. North; Keefe, J. and Milton introduced—

S. F. No. 2334: A bill for an act relating to public welfare; authorizing the assignment of accident insurance proceeds by any recipient of medical assistance; amending Minnesota Statutes, 1975 Supplement, Sections 256B.02, Subdivision 9; 256B.042, by adding a subdivision; and 256B.06, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Mr. McCutcheon introduced—

S. F. No. 2335: A bill for an act relating to child support and paternity; providing for continuing court orders; granting county court jurisdiction; amending Minnesota Statutes 1974, Sections 256.87, Subdivision 1; 256.872; 256.873; 257.253; 257.254; 257.257; 257.259; 257.261, Subdivision 1; 257.29; 393.07, Subdivision 9; and 518.49.

Referred to the Committee on Judiciary.

Mr. Perpich, A. J. introduced—

S. F. No. 2336: A bill for an act relating to taxes on or measured by net income and to assessment of ad valorem taxes; appropriating funds; amending Minnesota Statutes 1974, Sections 270.13; 276.05; 276.06; 290.066, Subdivision 1; and Chapter 273, by adding a section; Minnesota Statutes, 1975 Supplement, Sections 270.16, Subdivision 2; 273.012, Subdivision 3; 274.14; 276.04; 290.01, Subdivision 20; 290.012, Subdivision 4; 290.21, Subdivision 4; 290A.03, Subdivisions 8 and 13; 290A.06; 290A.07, Subdivisions 1 and 2; 290.14; and Laws 1975, Chapter 349, Section 32; repealing Minnesota Statutes, 1975 Supplement, Section 124.03.

Referred to the Committee on Taxes and Tax Laws.

Mr. Perpich, A. J. introduced—

S. F. No. 2337: A bill for an act relating to Lake county; law

enforcement; authorizing the collection of taxes in excess of the levy limits for purposes of law enforcement.

Referred to the Committee on Taxes and Tax Laws.

Mr. Olson, J. L. introduced—

S. F. No. 2338: A bill for an act relating to education; appropriating money to Independent School District No. 518 for programs for handicapped children.

Referred to the Committee on Education.

Mr. Humphrey introduced—

S. F. No. 2339: A bill for an act relating to public welfare; specifying services to handicapped persons; defining terms; amending Minnesota Statutes 1974, Section 645.44, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 256.01, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Hansen, Mel; Keefe, S. and Kowalczyk introduced—

S. F. No. 2340: A bill for an act relating to wages; requiring wages be paid not more than seven days after they are earned.

Referred to the Committee on Labor and Commerce.

Mr. Kleinbaum introduced—

S. F. No. 2341: A bill for an act relating to taxation; altering means of calculating attached machinery aid; amending Minnesota Statutes 1974, Section 273.138, Subdivisions 2 and 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Borden introduced—

S. F. No. 2342: A bill for an act relating to public health; providing for a referendum to determine whether the fluoride in municipal water supplies should be controlled; amending Minnesota Statutes 1974, Section 144.145.

Referred to the Committee on Local Government.

Mr. Borden introduced—

S. F. No. 2343: A bill for an act relating to game and fish; migratory waterfowl hunting hours; amending Minnesota Statutes 1974, Section 100.27, by adding a subdivision.

Referred to the Committee on Natural Resources and Agriculture.

**MESSAGES FROM THE HOUSE**

**Mr. President:**

I have the honor to announce the passage by the House of the following House Files, herewith transmitted:

H. F. Nos. 910, 1337, 1702, 2292 and 1847.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 25, 1976

**FIRST READING OF HOUSE BILLS**

The following bills were read the first time and referred to the committees indicated.

**H. F. No. 910:** A bill for an act relating to crimes; specifying the acts constituting arson and the possession of certain explosives; providing penalties; amending Minnesota Statutes 1974, Chapters 229F, by adding sections; and 609, by adding sections; repealing Minnesota Statutes 1974, Sections 299F.81; 609.555; 609.56; 609.565; 609.57; 609.575; and 609.61.

Referred to the Committee on Judiciary.

**H. F. No. 1337:** A bill for an act authorizing the city of Shakopee to issue general obligation revenue bonds for the purpose of financing improvements to, and refunding bonds payable from the revenues of, its light and power system.

Referred to the Committee on Metropolitan and Urban Affairs.

**H. F. No. 1702:** A bill for an act relating to protection of the environment; prohibiting sale of pressurized containers using certain chlorofluorocarbon propellants; requiring warning labels; prescribing penalties.

Referred to the Committee on Natural Resources and Agriculture.

**H. F. No. 2292:** A bill for an act relating to Independent School Districts No. 834, No. 832 and No. 833; instruction to pupils from other districts; authorizing the districts to enter into agreements for the furnishing of instruction to non-resident pupils.

Referred to the Committee on Education.

**H. F. No. 1847:** A bill for an act relating to dentistry; providing for registration of dental assistants; changing the membership of the board of dentistry; providing for continuing education; amending Minnesota Statutes 1974, Sections 150A.01, by adding a subdivision; 150A.06, Subdivision 6, and by adding subdivisions; 150A.08; 150A.09, Subdivisions 1 and 2; and 150A.10, Subdivision

2; and amending Minnesota Statutes, 1975 Supplement, Section 150A.02, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

### REPORTS OF COMMITTEES

Mr. Conzemius moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments and the report on S. F. No. 2132. The motion prevailed.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which were referred the following appointments as reported in the Journal for February 9, 1976:

#### STATE ARTS BOARD

Louis V. Zelle

James Glazman

Phillip Von Blon

Kenneth Dayton

Mrs. Alvina O'Brien

Dr. Walter S. Prausnitz

Miss Laura Jane Musser

Mrs. Arlene Helgeson

Mrs. Sandra Hale

Mrs. Anne Marie Plunkett

Dr. Alvin Zelickson

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Conzemius moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 354: A bill for an act relating to drivers' licenses; revocation for certain offenses; requiring examination for a new license after conviction for certain offenses; amending Minnesota Statutes 1974, Sections 171.17; and 171.29, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 171 is amended by adding a section to read:

[171.245] [AGGRAVATED VIOLATIONS.] *Subdivision 1. Any person who operates a motor vehicle, the operation of which requires a driver's license, upon the highways in this state in violation of section 169.121 while the driver's license or driver's privilege is cancelled, suspended or revoked (1) because of the operation of a motor vehicle while the person was under the influence of alcohol or a narcotic drug; or while the person's blood had an alcohol content above a prescribed level; (2) because the person operated a motor vehicle which contained an open bottle containing an intoxicating liquor or non-intoxicating malt liquor which had been opened; or (3) because the person refused to take a test which determines the alcoholic content in his blood when requested to do so by a proper authority; is guilty of a gross misdemeanor.*

*Subd. 2. Any person who operates a motor vehicle, the operation of which requires a driver's license, upon the highways in this state while the driver's license or driver's privilege is cancelled, suspended or revoked (1) because of the operation of a motor vehicle while the person was under the influence of alcohol or a narcotic drug; or while the person's blood had an alcohol content above a prescribed level; (2) because the person operated a motor vehicle which contained an open bottle containing an intoxicating liquor or non-intoxicating malt liquor which had been opened; or (3) because the person refused to take a test which would determine the alcoholic content in his blood when requested to do so by a proper authority; and who refuses to permit chemical testing requested of him pursuant to section 169.123 is guilty of a gross misdemeanor."*

Further, amend the title as follows:

Page 1, line 2, strike "revocation for"

Page 1, strike lines 3 to 6 and insert: "providing a new category of alcohol-related offenses; aggravated violations for driving after cancellation, suspension or revocation; providing a penalty; amending Minnesota Statutes 1974, Chapter 171, by adding a section."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2132: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; providing for the revocation of a driver's license or permit by the commissioner of public safety upon receipt of chemical test that person's blood contains .10 percent or more by weight of alcohol; providing procedural safeguards; prescribing penalties; and appropriating money; amending Minnesota Statutes 1974, Chapter 169, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 8, strike "or" and insert a comma

Page 2, line 8, after "permit" insert "or nonresident operating privileges"

Page 2, line 11, after "by" insert "or at the direction of"

Page 2, line 21, strike "offense" and insert "hearing"

Page 2, line 22, strike "Upon the hearing the"

Page 2, strike lines 23 to 25

Page 2, line 26, strike "require a re-examination of the licensee."

Page 2, line 28, strike "suspension,"

Page 2, line 28, strike "or" and insert a period

Page 2, strike line 29

Page 2, line 32, strike "suspended,"

Page 2, line 32, strike "or cancelled,"

Page 3, line 6, strike "The petition shall be filed with the clerk of" and insert "The matter shall be heard by the court on the record pursuant to the provisions of Minnesota Statutes, Section 171.19."

Page 3, strike lines 7 through 20

Page 3, line 21, strike "hearing for the purpose of cross-examination."

Page 3, after line 23, insert:

"Subd. 5. [LIMITED LICENSE.] *In any case where a license has been revoked under this section, the commissioner may issue a limited license to the driver. The commissioner in issuing a limited license may impose the conditions and limitations which in his judgment are necessary to the interests of the public safety and welfare including re-examination of the driver's qualifications, attendance at a driver improvement clinic, or attendance at counselling sessions. The license may be limited to the operation of particular vehicles and to particular classes and times of operation. The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under a limited license shall have the license in his possession at all times when operating as a driver. In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver.*

Subd. 6. [REINSTATED LICENSE.] *If the commissioner receives notice of the driver's attendance at a driver improvement clinic, attendance at counselling sessions, or participation in treatment for an alcohol problem the commissioner may, after 60 days of the revocation period have elapsed, reinstate the driver's license for the remainder of the revocation period. The commissioner shall not reinstate a license under this subdivision to a driver who has had a license revoked under sections 169.121, 169.123 or this act on a prior occasion during the preceding three year period for another incident."*

Page 3, strike lines 27 and 28

Further, amend the title as follows:

Page 1, line 9, after "safeguards;" insert "providing for issuance of a limited license; providing for reinstatement of a revoked license;"

And when so amended the bill do pass. Mr. Blatz questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 2155: A bill for an act relating to United Hospital District, Staples, Minnesota; authorizing the issuance of general obligation bonds of the district without the consent of the governing bodies of the municipalities included in the district; excluding the bonds from the net debt of the district; and excluding taxes levied for the payment of the bonds from certain levy limitations.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 2, strike "the" and insert "computing the limitations upon the levy of"

Page 2, line 2, strike "of" and insert "by"

Page 2, line 2, strike "which are" and insert "under"

Page 2, line 3, strike "limited by"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G., from the Committee on Local Government, to which was referred

S. F. No. 2051: A bill for an act relating to local improvements; council procedure; percentage payment on engineer's estimate; amending Minnesota Statutes 1974, Section 429.041, Subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, strike "city"

Page 1, line 19, strike "city" and insert "municipality"

Page 1, line 20, strike "city's" and insert "municipality's"

Page 1, line 20, after "in" insert "satisfactory"

Amend the title as follows:

Page 1, line 3, before "percentage" insert "authorizing"

Page 1, line 3, after "payment" insert "in advance of completion of improvement"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Olson, A. G., from the Committee on Local Government to which was referred

H. F. No. 59: A bill for an act relating to towns; authorizing towns to request the taking of a census by the secretary of state; amending Minnesota Statutes 1974, Chapter 365, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "*any*" and insert "*the*"

Page 1, line 9, strike "*in which neither*" and insert "*1976 and in the year 1985 and every tenth year thereafter,*"

Page 1, strike line 10

Page 1, line 11, strike "*town*"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1963: A bill for an act relating to the operation of state government; raising base salaries for certain executive branch employees, constitutional officers, judges and judicial branch employees; limiting possible increases for certain executive branch employees; requiring political subdivisions of the state to report certain salaries; providing for a report by the personnel board; amending Minnesota Statutes 1974, Sections 15A.081, by adding a subdivision; 15A.083, as amended; 43.062, Subdivision 3; 43.067; and 43.069; and Chapter 43, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 15A.081, Subdivision 1; repealing Minnesota Statutes 1974, Sections 15A.081, Subdivisions 1a and 4; 43.066; and 487.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 15, strike "For"

Page 5, strike lines 16 to 21

Page 5, line 22, strike "positions of the constitutional officers,"

Page 5, line 23, strike the new language

Page 5, line 24, strike "*examiner, the*"

Page 5, line 24, strike "*workers' compensation*"

Page 5, line 25, strike "*commissioners and the*"

Page 5, lines 25 to 26, strike "*commissioners of public service*"

Page 5, line 27, strike the period

Page 6, line 23, strike everything after "LIMITS.]"

Page 6, strike lines 24 to 30

Page 6, line 31, strike "Subd. 2" and insert "Subdivision 1"

Page 7, strike lines 10 to 15

Renumber the subdivisions in sequence

Page 7, line 18, strike "subdivisions 2 and 3" and insert "subdivision 1"

Page 7, line 18, strike ", but" and insert a period

Page 7, line 22, strike "only based on exceptional performance" and insert "upon application of the appointing authority, but only if the board determines that the position requires special expertise necessitating a higher salary in order to attract qualified persons"

Page 7, line 24, strike "ten" and insert "20"

Pages 8 to 9, strike section 5

Renumber the sections of Article I in sequence

Page 12, after line 24, insert:

*"Article IV*

Section 1. Minnesota Statutes, 1975 Supplement, Section 3.102, is amended to read:

3.102 [MEMBERS; EXPENSES.] Each member of the legislature shall be reimbursed for expenses incurred while engaged in official legislative business ~~when the legislature is not in session during his term of office.~~ The amount of such reimbursement shall ~~not exceed \$33 per day as a per diem expense allowance for all expenses incurred except travel and lodging.~~ *Reimbursement for expenses shall be in the same manner and amount as for state employees; provided, that a member of the legislature who, because of travel inconvenience, elects to reside in the vicinity of the capitol during a legislative session, shall also be reimbursed for vouchered lodging expenses incurred during the session. The vouchered lodging expenses shall be subject to limitations prescribed by the committee on rules and administration for members of the senate, and the committee on rules and legislative administration for members of the house.*

~~Expenses for members of the legislature are payable in the manner and in the amount designated by the senate committee on rules and administration as to members of the senate and by the committee on rules and legislative administration as to members of the house of representatives.~~

~~The expense allowances provided for herein to the persons designated are in lieu of any other expenses authorized by law or resolution for the same purposes."~~

Renumber the remaining Article

Page 12, line 26, after ".]" insert "*Subdivision 1.*"

Page 12, line 27, after "*43.066;*" insert "*43.069;*"

Page 12, after line 28, insert:

*"Subd. 2. Minnesota Statutes 1974, Sections 3.101 and 3.103 are repealed."*

Page 12, line 29, after ".]" insert "*Article IV and Article V, Section 1, Subdivision 2, are effective January 4, 1977. The remainder of*"

Amend the title as follows:

Line 6, after the semicolon, insert "removing per diems and providing expenses for legislators;"

Line 11, after "3;" insert "and"

Line 12, strike "and 43.069;"

Line 14, strike "Section" and insert "Sections 3.102; and"

Line 15, after "Sections" insert "3.101; 3.103;"

Line 16, after "43.066;" insert "43.069;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2077: A bill for an act relating to Blue Earth county; authorizing the county of Blue Earth to contract for the completion of the improvement of county ditch No. 27; setting limits for the expenditure of money for the improvement thereof; providing for the financing thereof; amending Laws 1975, Chapter 249, Section 1, Subdivision 1; and Section 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1262: A bill for an act relating to tax forfeited lands; granting of easements or permits thereon for certain purposes; authorizing easements or permits for recreational trails; amending Minnesota Statutes 1974, Section 282.04, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the title as follows:

Line 2, strike "granting of" and insert "authorizing the county auditor to grant"

Line 3, strike "certain purposes;"

Line 4, strike "authorizing easements or permits for"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 628: A bill for an act relating to game and fish; license exemption for certain persons; amending Minnesota Statutes 1974, Sections 98.45, Subdivision 2; and 98.47, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Section 98.45, is amended by adding a subdivision to read:

*Subd. 8. Any resident whose age is 65 years or over may purchase a small game license for 50 percent of the fee specified in section 98.46, Subdivision 2.*

*Sec. 2. This act is effective December 31, 1976.”*

Amend the title as follows:

Strike lines 2 thru 5 and insert “providing a reduced fee for small game licenses for senior citizens; amending Minnesota Statutes 1974, Section 98.45, by adding a subdivision.

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2125: A bill for an act relating to Freeborn County; appropriating money for lake restoration and improvements.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2241: A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for disposition of proceeds of sale.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, after the comma and before “acquisition” insert “limited”

Page 1, line 16, after “sites” strike “for” and insert “necessary to allow”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2011: A bill for an act relating to game and fish; removing lynx from the definition of unprotected animals; authorizing the commissioner of natural resources to establish a season for taking lynx; amending Minnesota Statutes 1974, Section 100.27, Subdivision 7; Minnesota Statutes, 1975 Supplement, Sections 100.26, Subdivision 1; and 100.27, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "wild cat,"

Page 1, line 12, strike "wolves other"

Page 1, line 13, strike "than timber wolves, foxes, gophers, porcupines, badgers" and insert "*bobcat, coyote (brush wolf), fox, gopher, porcupine, badger*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2218: A bill for an act relating to game and fish; increasing certain license fees; amending Minnesota Statutes 1974, Sections 98.46, Subdivisions 2, 4, 5, 7, 8, 9, 14, 15, 16, 17 and 19; and 101.44, repealing Minnesota Statutes 1974, Section 84.14, Subdivisions 1, 2, 3, 4 and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 27, strike "1974" and insert ", 1975 Supplement"

Page 3, after line 18, insert "(7) To take, transport, purchase and possess for sale unprocessed turtles and tortoises within the state, \$25;"

Page 3, line 19, strike "(7)" and insert "(8)"

Page 3, line 22, strike "(8)" and insert "(9)"

Page 3, line 24, strike "(9)" and insert "(10)"

Page 3, line 28, strike "(10)" and insert "(11)"

Page 8, strike line 32

Page 9, strike line 1

Page 9, line 2, strike "14" and insert "13"

Page 9, line 2, strike "*Sections 1 through 12 are*" and insert "*This act is*"

Page 9, line 2, after "to" insert "*all big game*"

Page 9, line 3, after "*issued*" insert "*for 1976 and subsequent big game seasons and all other licenses issued for licensing years commencing*"

Page 9, line 3, strike "Section 13 is" and insert "*In those years a firearms deer hunting season is held, a minimum of \$300,000 shall be appropriated from the game and fish fund for deer habitat improvement programs from the increase in deer hunting license receipts provided pursuant to this act. Any unexpended balance in this appropriation at the end of each fiscal year shall not cancel but shall be reappropriated in the following and subsequent fiscal years and available for deer habitat improvement programs.*"

Page 9, strike line 4

Amend the title as follows:

Line 4, strike "5,"

Line 5, after "19;" strike "and"

Line 5, after "101.44;" insert "and Minnesota Statutes, 1975 Supplement, Section 98.46, Subdivision 5."

Line 5, strike "repealing Minnesota"

Strike lines 6 and 7

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1799: A bill for an act relating to energy conservation; providing for promulgation of quality standards and performance labeling of solar energy devices; exempting solar energy devices from property taxation; providing a ten percent credit against income tax for the cost of pollution control equipment and solar energy devices; extending feedlot pollution control equipment credit; exempting solar energy devices and pollution control equipment from sales taxation; amending Minnesota Statutes 1974, Sections 290.06, Subdivisions 9 and 9a; and 297A.25, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Section 272.02, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, after "quality" insert "and"

Page 2, line 3, after "standards" insert "*which are in reasonable conformance with the Interim Performance Criteria for Solar Heating and Combined Heating/Cooling Systems and Dwellings, National Bureau of Standards, January 1, 1975; and the Interim Performance Criteria for Commercial Solar Heating and Combined Heating/Cooling Systems and Facilities, National Aeronautics and Space Administration, February 28, 1975*"

Page 2, line 8, after "performance." insert "*The department of administration in consultation with the energy agency shall modify existing standards and promulgate new standards subsequent to December 31, 1976 as new technology and materials become available, or as standards are revised by the federal government.*"

Page 2, line 9, after "Manufacturers" insert "or retailers"

Amend the title as follows:

Page 1, line 5, strike "devises" and insert "devices"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1976: A bill for an act relating to workmen's compensation; providing for third party liability; amending Minnesota Statutes 1974, Section 176.061, Subdivision 3; repealing Minnesota Statutes 1974, Section 176.061, Subdivision 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 4, add a section to read:

"Sec. 3. *This act is effective on the day following its final enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1913: A bill for an act relating to education; state community college board; faculty salary increases; approving the contract negotiated with the Minnesota community college faculty association.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Finance. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for January 29, 1976:

#### HIGHER EDUCATION FACILITIES AUTHORITY

Robert Freson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Conzemius moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education to which was referred the following appointment as reported in the Journal for February 2, 1976:

**ADVISORY COUNCIL ON FLUCTUATING ENROLLMENTS**

John B. McCarthy

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Conzemius moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for January 29, 1976:

**HIGHER EDUCATION FACILITIES AUTHORITY**

Robert J. Huston

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Conzemius moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal January 29, 1976:

**STATE BOARD FOR COMMUNITY COLLEGES**

Mrs. Paul Nycklemoe

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Conzemius moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

H. F. No. 1099: A bill for an act relating to Hennepin county; hospital and medical care for poor persons funding; amending Laws 1963, Chapter 738, Section 3, Subdivision 3; repealing Laws 1963, Chapter 738, Section 7.

Reports the same back with the recommendation that the amendment made to H. F. No. 1099 by the Committee on Rules and Administration in the report adopted May 5, 1975, pursuant to Rule 49, be stricken and the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 1822: A bill for an act relating to governmental operations; creating an interstate commission to develop a plan to merge the port authorities at Duluth, Minnesota, and Superior, Wisconsin; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 14, strike "ten" and insert "five" and strike "as follows:"

Page 2, line 15, after "Minnesota," insert "to be chosen as follows:" and in the same line strike "president of"

Page 2, line 16, strike "the senate" and insert "committee on committees"

Page 2, line 19, insert a period after "authority" and strike the remainder of the sentence in lines 19 to 25

Page 2, line 25, after "reimbursement" insert "by the appointing authority"

Page 2, line 26, strike "all traveling and other" and strike "necessarily"

Page 2, line 27, after "duties" and before the period insert "in the same manner and amount as provided for state employees"

Page 2, line 27, after the period insert "The members from the state of Minnesota shall meet with five members from the state of Wisconsin, selected in a similar manner as determined by the legislature of the state of Wisconsin."

Page 2, line 31, strike "on or before January 1," and insert "in January,"

Page 3, line 4, after the period insert "This appropriation is contingent upon the passage of a bill in the legislature of the state of Wisconsin providing the Wisconsin members of the commission, and appropriating a like amount of money to the commission."

Page 3, line 6, before the period insert "and shall expire on June 30, 1977"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was re-referred

S. F. No. 634: A bill for an act relating to corrections; sentencing and post conviction disposition of criminal offenders; transferring the powers and duties of the Minnesota corrections authority to the commissioner of corrections; abolishing the Minnesota corrections authority; providing for determinate sentencing; providing for a mutual agreement program; appropriating money; amending Minnesota Statutes 1974, Sections 152.15; 609.02, Subdivision 8; 609.03; 609.10; 609.135, Subdivision 1; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.19; 609.195; 609.20; 609.205; 609.21; 609.215; 609.225; 609.235; 609.24; 609.245; 609.25, Subdivision 2; 609.255; 609.26; 609.27, Subdivision 2; 609.293, Subdivisions 2, 3 and 4; 609.31; 609.32; 609.355, Subdivision 2;

609.365; 609.375, Subdivision 2; 609.39; 609.395; 609.405, Subdivision 2; 609.42, Subdivision 1; 609.425; 609.445; 609.455; 609.465; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.52, Subdivision 3; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.56; 609.565; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.61; 609.615; 609.62, Subdivision 2; 609.625; 609.63; 609.635; 609.64; 609.645; 609.65; 609.67, Subdivision 2; 609.71; 609.713; 609.785; 609.82; 609.825, Subdivision 2; 609.83; Minnesota Statutes, 1975 Supplement, Sections 609.185; 609.342; 609.343; 609.344; 609.345; 609.52, Subdivision 2; 609.521; and 609.551, Subdivision 1; repealing Minnesota Statutes 1974, Sections 241.045, as amended; 242.24; 246.43; 609.11, as amended; 609.13, Subdivision 1; 609.155; and 609.16.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 11, strike "12" and insert "6"

Page 2, line 19, strike "four" and insert "two"

Page 2, line 26, strike "two years" and insert "one year and one day"

Page 3, line 10, after "year" insert "and one day"

Page 3, line 14, after "year" insert "and one day"

Page 4, line 10, strike "two years" and insert "one year and six months"

Page 6, line 23, strike "December 31" and insert "September 1"

Page 7, line 19, strike "91" and insert "89"

Page 7, line 20, strike "December"

Page 7, line 21, strike "31" and insert "September 1"

Page 7, line 25, strike "December 31" and insert "September 1"

Page 8, line 3, strike "91" and insert "89"

Page 8, line 4, strike "and sentenced"

Page 8, strike line 5 and insert "committed on or after September 1, 1976."

Page 8, line 6, strike "91" and insert "89"

Page 8, line 11, strike "91" and insert "89"

Page 8, line 13, strike "91" and insert "89"

Page 8, line 21, strike "91" and insert "89"

Page 8, strike line 24 and insert "who commit the offenses giving rise to their sentences on or after September 1, 1976."

Page 8, strike lines 25 to 32

Page 10, line 13, after "sentences" insert "or extended term"

Page 10, line 17, strike "other than "not guilty""  
and insert "to an offense other than that which was originally charged"

Page 10, line 20, after "sentence;" strike "or"

Page 10, line 21, after "resentence" strike the period and insert "; or"

Page 10, after line 21, insert:

"(d) After the imposition of an extended term."

Page 10, line 22, after "3." insert "On appeal pursuant to subdivision 2"

Page 11, line 6, before "rules" insert "criminal"

Page 12, line 5, strike "a felony offense involving"

Page 12, strike lines 6 to 12 and insert "a violation of either section 609.185, 609.19, or 609.342, or in any case in which the defendant is sentenced for the third time within a ten year period for any felony offense or combination of felony offenses. In addition, an extended term of imprisonment hearing shall be held in any case where the execution or imposition of sentence is not permitted to be stayed. An extended term of imprisonment may be imposed if:

(1) Notice is served on the defendant or on his attorney advising him of the hearing at least five days prior to the hearing;

(2) A summary hearing is held pursuant to the notice to consider evidence for and against the imposition of an extended term of imprisonment; and

(3) The court finds:

(a) that the defendant was sentenced to three or more felony offenses within the past ten year period; or

(b) that the defendant in the commission of the felony for which he was most recently sentenced inflicted on another death or permanent or protracted loss of the function of any bodily member or organ.

If an extended term of imprisonment is imposed, the court shall impose a sentence of a determinate number of years which is not less than the term of years established by statute for the felony for which the defendant was most recently sentenced and not more than three times that term."

Page 13, line 9, restore "or fine or both"

Page 18, line 25, after "year" insert "and one day"

Page 18, line 31, strike the new language and restore the stricken language

Page 18, line 32, restore the stricken language

Page 18, line 32, strike "two years" and insert "one year"

Page 19, line 1, strike the new language and restore the stricken language

Page 19, line 1, strike "\$2,000" and insert "\$1,000"

Page 21, line 4, strike the new language and restore the stricken language

Page 21, line 5, restore the stricken language

Page 21, line 5, strike "two years" and insert "one year"

Page 21, line 6, strike the new language and restore the stricken language

Page 21, line 6, strike "\$2,000" and insert "\$1,000"

Page 31, line 11, after "year" insert "and one day"

Page 32, line 25, after "year" insert "and one day"

Page 33, line 26, after "year" insert "and one day"

Page 38, line 22, after "year" insert "and one day"

Page 40, line 6, after "year" insert "and one day"

Page 43, line 7, after "year" insert "and one day"

Page 44, line 21, after "year" insert "and one day"

Page 45, line 7, strike the new language and restore the stricken language

Page 45, line 8, restore the stricken language

Page 45, line 8, strike "two years" and insert "one year"

Page 45, line 9, strike the new language and restore the stricken language

Page 45, line 9, strike "\$2,000" and insert "\$1,000"

Page 46, line 28, after "year" insert "and one day"

Page 48, line 2, after "year" insert "and one day"

Page 48, line 19, after "year" insert "and one day"

Page 48, line 26, after "year" insert "and one day"

Page 49, line 13, after "year" insert "and one day"

Page 50, line 22, after "year" insert "and one day"

Page 52, line 22, strike "91" and insert "89"

Page 52, line 23, strike "January 1, 1977" and insert "September 1, 1976"

Page 52, strike lines 30 to 32

Page 53, strike lines 1 to 3

Page 53, line 7, strike "sentenced after December 31," and insert "who commit the offenses giving rise to their sentences on or after September 1,"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 9, strike "appropriating money;"

Page 1, line 10, strike "609.02,"

Page 1, line 11, strike "Subdivision 8;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2237: A bill for an act directing the sale of a certain parcel of tax forfeited land in St. Louis county.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2168: A bill for an act authorizing the conveyance of lands and structures comprising Count Beltrami state monument to the town of Turtle Lake in Beltrami county; specifying the terms and conditions of such conveyance.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

H. F. No. 1751: A bill for an act relating to game and fish; fire-arms permissible for taking wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 9.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1493: A bill for an act relating to natural resources; amending certain laws concerning minnows; amending Minnesota Statutes 1974, Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivision 17; 101.42, Subdivisions 5 and 6; and Minnesota Statutes, 1975 Supplement, Section 98.46, Subdivision 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2130: A bill for an act relating to state lands; authorizing conveyance of certain parcels of land in Hennepin county.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1924: A bill for an act relating to employment agencies; excluding teacher and nurse placement agencies from the definition of employment agency; amending Minnesota Statutes 1974, Section 184.21, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 2170 for comparison to companion Senate File, reports the following House File was found identical and recommends the House File be given its Second Reading and substituted for its companion Senate File as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
		2170	2040		

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Conzemius from the Committee on Rules and Administration, to which was referred

S. F. No. 2126: A bill for an act relating to the legislature; establishing a legislative commission on the economic status of women; appropriating money.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Governmental Operations. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 354, 2155, 2051, 2077, 1262, 2011, 1976, 634, 2237, 2168, 1493, 2130 and 1924 were read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 59, 1099, 1751 and 2170 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Chmielewski moved that the names of Messrs. Renneke and Willet be added as co-authors to S. F. No. 628. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Arnold be added as co-author to S. F. No. 1191. The motion prevailed.

Mr. Knutson moved that the name of Mr. Lewis be shown as chief author to S. F. No. 1254. The motion prevailed.

Mr. Chmielewski moved that the names of Messrs. Willet and Olson, J. L. be added as co-authors to S. F. No. 1262. The motion prevailed.

Mr. Wegener moved that the name of Mr. Olhofft be added as co-author to S. F. No. 2171. The motion prevailed.

Mr. Gearty moved that the name of Mr. Chenoweth be added as co-author to S. F. No. 2243. The motion prevailed.

Mr. Olson, A. G. moved that S. F. No. 2035 be withdrawn from the Committee on Local Government and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Kowalczyk moved that the names of Messrs. Lewis and Knutson be added as co-authors to S. F. No. 1388. The motion prevailed.

Mr. O'Neill moved that S. F. No. 570 and the Conference Committee Report thereon be laid on the table and the Conference Committee Report be printed in the Journal. The motion prevailed.

**CONFERENCE COMMITTEE REPORT ON S. F. NO. 570**

A bill for an act relating to taxation; increasing the income tax deduction for dependents' school expenses; amending Minnesota Statutes 1974, Section 290.09, Subdivision 22.

February 25, 1976

The Honorable Alec G. Olson  
President of the Senate

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 570 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. 570 be amended as follows:

Page 1, line 10, delete "\$1,000" and in lieu thereof insert "*\$500 for each dependent in grades K to 6 and \$700 for each dependent in grades 7 to 12*"

Page 1, line 19, after "1964" insert "*and Minnesota Statutes, Chapter 363*"

We request adoption of this report and repassage of the bill in accordance therewith.

Senate Conferees: (Signed) Joseph T. O'Neill, Edward J. Gearty, Robert G. Dunn.

House Conferees: (Signed) C. Thomas Osthoff, William N. Kelly, Carl M. Johnson.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Dunn moved that S. F. No. 919 and the Conference Committee Report thereon be laid on the table and the Conference Committee Report be printed in the Journal. The motion prevailed.

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 919

A bill for an act relating to the environment; directing creation of an environmental permits coordination unit within the environmental quality council; authorizing an optional consolidated application and hearing procedure for certain permits; directing establishment of permit information centers; appropriating money.

February 23, 1976

The Honorable Alec G. Olson  
President of the Senate

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 919 report that we have agreed upon the items in dispute and recommend as follows:

That S. F. No. 919 be further amended as follows:

Delete everything after the enacting clause and insert the following:

“Section 1. [116C.22] [CITATION.] Sections 1 to 14 may be cited as the Minnesota environmental coordination procedures act.

Sec. 2. [116C.23] [PURPOSES.] It shall be the purpose of sections 1 to 14:

(a) to provide an optional procedure to assist those who, in the course of satisfying the requirements of state government prior to undertaking a project which contemplates the use of the state's air, land, or water resources, must obtain more than one state permit, by establishing a mechanism in state government which will coordinate administrative decision-making procedures, and related quasi-judicial and judicial review, pertaining to these permits;

(b) to provide to the members of the public a better and easier opportunity to present their views comprehensively on proposed uses of natural resources and related environmental matters prior to the making of decisions on these uses by state or local agencies;

(c) to provide to the members of the public a greater degree of certainty in terms of permit requirements of state and local government;

(d) to provide better coordination and understanding between state and local agencies in the administration of the various programs relating to air, water, and land resources; and

(e) to establish the opportunity for members of the public to obtain information pertaining to requirements of federal and state law which must be satisfied prior to undertaking a project in this state.

Sec. 3. [116C.24] [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 14, the terms defined in this section have the meanings given them.

Subd. 2. "Council" means the Minnesota environmental quality council.

Subd. 3. "Coordination unit" means the environmental coordination unit established pursuant to section 4.

Subd. 4. "Local governmental unit" means a county, city, town, or special district with legal authority to issue a permit.

Subd. 5. "Permit" means a license, permit, certificate, certification, approval, compliance schedule, or other similar document pertaining to a regulatory or management program related to the protection, conservation, or use of, or interference with, the natural resources of land, air or water, which is required to be obtained from a state agency prior to constructing or operating a project in this state.

Nothing in sections 1 to 14 shall relate to the granting of a proprietary interest in publicly owned property through a sale, lease, easement, use permit, license or other conveyance.

Subd. 6. "Person" means an individual, an association or partnership, or a cooperative, or a municipal, public or private corporation, including but not limited to a state agency and a county.

Subd. 7. "Project" means a new activity or an expansion of or addition to an existing activity, which is fixed in location and for which permits are required from an agency prior to construction or operation, including but not limited to industrial and commercial operations and developments. Sections 1 to 14 shall not apply to projects which are:

(a) Covered by Minnesota Statutes, Chapter 93, Minnesota Statutes, Sections 116C.51 to 116C.69 or Minnesota Statutes, Section 116H.13; or

(b) Initiated for the purpose of taconite tailings disposal or mining, or the producing or beneficiating of copper, nickel or copper-nickel.

Subd. 8. "Agency" means a state department, commission,

board or other agency of the state however titled or a local governmental unit or instrumentality, only when that unit or instrumentality is acting within existing legal authority to grant or deny a permit that otherwise would be granted or denied by a state agency.

**Sec. 4. [116C.25] [CREATION OF ENVIRONMENTAL PERMITS COORDINATION UNIT.]** The council shall establish an environmental permits coordination unit to implement and administer the provisions of sections 1 to 14 and the chairman of the council shall employ necessary staff to work for the coordination unit on a continuous basis.

**Sec. 5. [116C.26] [MASTER APPLICATION PROCEDURE.]**  
**Subdivision 1.** A person proposing a project which may require more than one permit may, prior to the initial construction of the project or prior to the initial operation of the project if construction of the project required no state permits, submit a master application to the coordination unit requesting the issuance of all state permits necessary for construction and operation of the project. The master application shall be on a form furnished by the coordination unit and shall contain precise information as to the location of the project, and shall describe the nature of the project including any contemplated discharges of wastes therefrom and any uses of, or interferences with, natural resources. No master application shall be accepted for processing by the coordination unit pursuant to sections 1 to 14, unless it is accompanied by the certifications issued not more than 120 days prior to the date of the master application as required by section 10. No master application shall be accepted for processing by the coordination unit pursuant to sections 1 to 14, unless it is accompanied by a certification from the council that either an environmental impact statement concerning the project has been completed or that an environmental impact statement is not required concerning the project.

**Subd. 2.** Upon receipt of a completed master application, the coordination unit shall immediately notify in writing each agency having a possible interest in the master application arising from requirements pertaining to a permit program under its jurisdiction. The notification from the coordination unit shall be accompanied by a copy of the master application together with the date by which the agency shall respond to the notice. Each notified agency shall respond in writing to the coordination unit within the specified date, not exceeding 20 days from receipt, as determined by the coordination unit, advising whether the agency does or does not have an interest in the master application. If an agency timely responds that it has an interest in the master application, the response shall include information concerning the specific permit programs under its jurisdiction which are pertinent to the project described in the master application. The agency response shall also advise the coordination unit whether a public hearing concerning the master application as provided in section 7 would or would not be required or of value considering the overall public interest.

Subd. 3. Each notified agency which responds within the specified date that it does not have an interest in the master application or which does not respond as required by subdivision 2 within the specified date, shall not subsequently require a permit of the applicant for the project described in the master application; provided the bar to requiring a permit subsequently shall not be applicable if:

(a) The master application provided to the notified agency contained false, misleading, or deceptive information, or lacked information, which would reasonably lead an agency to misjudge its interest in a master application; or

(b) Subsequent laws or rules require additional permits; or

(c) Unusual circumstances prevented the agency from notifying the coordination unit and the agency can establish that failure to require a permit would result in substantial harm to the public health or welfare, in which case the council may order that the permit be required.

Subd. 4. The coordination unit shall submit application forms concerning the permit programs identified in the affirmative responses under subdivision 2 to the applicant with a direction to complete and return them to the coordination unit within 90 days.

Subd. 5. Within ten days of receipt of the full set of completed application forms by the coordination unit, each application shall be transmitted to the appropriate agency for the performance of its responsibilities of decision making in accordance with the procedures of sections 1 to 12.

Subd. 6. If an agency has a procedure for setting priorities in issuing a permit according to the date of the application for the permit, the date used shall be the date upon which a master application is received by the coordination unit.

Sec. 6. [116C.27] [NOTICE.] Subdivision 1. The coordination unit immediately after transmittal of the completed applications to the appropriate agency shall cause a notice to be published at the applicant's expense once each week on the same day of the week for three consecutive weeks in a newspaper of general circulation within each county in which the project is proposed to be constructed or operated. The notice shall describe the nature of the master application including, within reasonable specificity, the project proposed, its location, the various permits applied for, and the agency having jurisdiction over each permit. Except as provided in subdivision 2, the notice shall also state the time and place of the public hearing, to be held not less than 20 days after the date of last publication of the notice. It shall further state that a copy of the master application and a copy of all permit applications for the project are available for public inspection in the office of the county auditor of each county in which the project is proposed to be constructed or operated, as well as in other locations which the coordination unit may designate.

Subd. 2. If the responses to the master application received by the coordination unit from the state agencies unanimously state

the position that a public hearing in relation to a master application would not be of value in consideration of the overall public interest and are not required by any other law or rule, the provisions of subdivision 1 pertaining to the time and place of a public hearing shall not be included in the notice. In place thereof the notice shall state that members of the public may present relevant views and supporting materials in writing to the coordination unit concerning any of the permits applied for within 30 days after the last date of publication of the notice in a newspaper.

Sec. 7. [116C.28] [PUBLIC HEARING.] Subdivision 1. When one or more agencies notifies the coordination unit that a public hearing is required or appropriate on matters relating to the project described in the master application, the coordination unit shall set the time and place for a hearing in which each of the affected agencies shall participate. The hearing shall be held pursuant to the contested case provisions of Minnesota Statutes, Chapter 15 and section 6 of this act.

Subd. 2. Each participating state agency shall be represented at the public hearing by its chief administrative officer or his designee. The representative of any state agency within whose jurisdiction a specific application lies shall participate in the portion of the hearing pertaining to submission of information, views, and supporting materials which are relevant to its application. The hearing examiner may, when appropriate, continue a hearing from time to time and place to place. The hearing shall be recorded in any manner suitable for transcription pursuant to Minnesota Statutes, Chapter 15.

Subd. 3. Within 60 days of receipt of the hearing examiner's report, each state agency which is a party to the hearing shall forward its final decision on permit applications within its jurisdiction to the coordination unit, provided that this date may be extended by the chairman of the council for reasonable cause. Every final decision shall set forth the basis for the decision together with a final order denying the permit or granting the permit including the specifying of any conditions under which the permit is issued.

Subd. 4. If notice has been published pursuant to section 6, subdivision 2, and no public hearing is conducted, the coordination unit shall, not less than 30 days after the last notice publication in the newspaper, submit a copy of all views and supporting material received by it to each agency having jurisdiction concerning any permit application described in the notice. Concurrently therewith, the coordination unit shall notify each state agency, in writing, of the date not to exceed 60 days by which final decisions on applications shall be forwarded to the coordination unit; provided that this date may be extended by the chairman of the council for reasonable cause. Each final decision shall set forth the information required by subdivision 3.

Subd. 5. As soon as all final decisions are received by the coordination unit from the various participating state agencies, the coordination unit shall immediately incorporate them, without

modification, into one document and shall transmit the document to the applicant either personally or by registered mail.

Sec. 8. [116C.29] [WITHDRAWAL OF AGENCY PARTICIPATION.] After an agency has responded that it has an interest in the master application, it may withdraw from further participation in the processing of that master application at any time by written notification to the coordination unit, if it subsequently appears to the agency that it has no permit programs under its jurisdiction which are applicable to the project.

Sec. 9. [116C.30] [APPLICATION.] Subdivision 1. A person aggrieved by a final decision of an agency in granting or denying a permit shall seek redress directly and individually from that agency in the manner provided by Minnesota Statutes, Chapter 15, or any other statute authorizing either judicial or administrative review of an agency decision.

Subd. 2. Each state agency having jurisdiction to approve or deny an application for a permit shall have continuing power as vested in it prior to the effective date of this section, to make such determinations. Nothing in sections 1 to 14 shall lessen or reduce such powers, and such sections shall modify only the procedures to be followed in the carrying out of such powers.

Subd. 3. A state agency may in the performance of its responsibilities of decision making under sections 1 to 12, request or receive additional information from an applicant.

Subd. 4. Fee schedules authorized by statute for an application or permit shall continue to be applicable even though the application or permit is processed under the provisions set forth in sections 1 to 12. The coordination unit shall not charge the applicant or participating agencies a fee for its services.

Subd. 5. Sections 1 to 12 shall have no applicability to an application for a permit renewal, amendment, extension, or other similar document required subsequent to the completion of decisions and proceedings under sections 6 to 8, or to a replacement thereof or to a quasi-judicial or judicial proceeding held pursuant to an order of remand or similar order by a court in relation to a final decision of a state agency.

Subd. 6. Nothing in sections 1 to 14 shall modify in any manner whatsoever the applicability or inapplicability of any land use regulation statute or local zoning ordinance to the lands of any state agency.

Sec. 10. [116C.31] [LOCAL CERTIFICATION.] Subdivision 1. No master application shall be processed pursuant to sections 1 to 12 unless it is accompanied by a certification issued not more than 120 days prior to the date the master application is first received by the coordination unit, from the local governmental units in whose jurisdiction the proposed project is located, certifying that the project is in compliance with all zoning ordinances, subdivision regulations, and environmental regulations administered by the local governmental unit and certifying that

the preparation of any environmental impact statement which the local governmental unit is authorized to require pursuant to local ordinance, state statute, or council rule, has been completed or deemed not necessary. If the local governmental unit has required any environmental impact statement concerning the project, a copy of the completed environmental impact statement shall be attached to the local governmental unit's certification. If the local governmental unit has no zoning ordinances, subdivision regulations, or environmental regulations, the certification from the local governmental unit shall so state. A local governmental unit may accept applications for certifications as provided in this section and shall rule upon the same expeditiously to insure that the purposes of sections 1 to 12 are accomplished fully. After issuing a certification for the purposes of this section, no local government shall rescind it even though the local government may have changed its zoning ordinances, subdivision regulations, or environmental regulations. A change of zoning ordinances, subdivision regulations, or environmental regulations shall not invalidate a previously given certification for the purpose of securing a state permit under sections 1 to 12. Upon certification, the local government may change such zoning ordinances, subdivision regulations, or environmental regulations, but not so as to affect the proposed project until the procedures of sections 1 to 12, including any administrative or judicial reviews, are completed.

Subd. 2. A ruling by a local governmental unit denying an application for certification shall not be appealable under sections 1 to 14. The denial of an application for certification by a local governmental unit shall not preclude the applicant from filing a permit application under any other available statute or procedure.

Sec. 11. [116C.32] [RULES; COOPERATION.] The council shall as soon as practicable adopt rules, not inconsistent with rules of procedure established by the office of hearing examiners, to implement the provisions of sections 1 to 14, including master application procedures, notice procedures, and public hearing procedures and costs.

Sec. 12. [116C.33] [CONFLICT WITH FEDERAL REQUIREMENTS.] Subdivision 1. If in a final order of a court of competent jurisdiction, any part of sections 1 to 14 as enacted or administered is found to be in conflict with federal requirements which are a condition precedent to the allocation of federal funds authorized to this state, the conflicting part of sections 1 to 14 shall be void to the limited extent necessary to remove the conflict and the remainder of sections 1 to 14 shall remain effective.

Subd. 2. The council, to the limited extent necessary to comply with procedural requirements of federal statutes relating to permit systems operated by the state, may modify the notice, timing, hearing and related procedural matters provided in sections 1 to 14.

**Sec. 13. [116C.34] [PERMIT INFORMATION CENTERS.]**  
**Subdivision 1.** The council shall establish a permit information center in its office at St. Paul, which center shall establish and maintain an information and referral system to assist the public in the understanding and compliance with the requirements of state and local governmental regulations concerning the use of natural resources and protection of the environment. The system shall provide a telephone information service and disseminate printed materials. The council shall provide assistance to regional development commissions desiring to create a permit information center.

**Subd. 2.** The permit information center in St. Paul shall:

(a) Identify all existing state licenses, permit certifications, approvals, compliance schedules, or other programs which pertain to the use of natural resources and to protection of the environment.

(b) Standardize permit titles and assign designation codes to all such permits which would thereafter be imprinted on all permit forms.

(c) Develop permit profiles including applicable rules and regulations, copies of all appropriate permit forms, statutory mandate and legislative history, names of individuals administering the program, permit processing procedures, documentation of the magnitude of the program and of geographic and seasonal distribution of the workload, and estimated application processing time.

(d) Identify the public information procedures currently associated with each permit program.

(e) Identify the data monitored or acquired through each permit and ascertain current users of that data.

(f) Recommend revisions to the list of natural resource management and development permits contained in the 1974 edition of Minnesota Statutes, Section 116D.04, Subdivision 5.

(g) Recommend legislative or administrative modifications of existing permit programs to increase their efficiency and utility.

**Subd. 3.** The auditor of each county shall post in a conspicuous place in his office the telephone numbers of the permit information centers established in St. Paul and in the office of the applicable regional development commission; copies of any master applications or permit applications forwarded to the auditor pursuant to section 6, subdivision 1; and copies of any information published by any permit information center pursuant to subdivision 1 of this section.

**Sec. 14. [116C.35] [REPORT TO LEGISLATURE.]** The council, after consultation with other agencies and local governments, shall submit to the legislature by January 1, 1978, a report setting forth the results of the experiences under sections 1 to

14 including any recommendations concerning methods to improve the procedures.

Sec. 15. [EFFECTIVE DATE.] Sections 1 to 4 and 10 to 16 shall be effective the date following final enactment. Sections 5 to 9 shall be effective on February 15, 1977.

Sec. 16. [APPROPRIATION.] The sum of \$140,000 is appropriated from the general fund to the director of the state planning agency for the biennium ending June 30, 1977, for purposes of sections 1 to 14 of this act. Of this amount, \$60,000 is appropriated for grants to regional development commissions, excluding the metropolitan council, for the purpose of establishing permit information centers. Not more than \$5,000 of this second amount may be awarded by the director to any regional development commission for the purpose of establishing a permit information center."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Myrton O. Wegener, Roger D. Moe, Robert G. Dunn.

House Conferees: (Signed) Al Patton; Harry A. Sieben, Jr.; M. J. McCauley.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson, J. L. moved that the names of Messrs. Anderson and Olson, H. D. be added as co-authors to S. F. No. 2338. The motion prevailed.

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named persons be and are hereby appointed to the position hereinafter stated and at the salary heretofore fixed.

Rev. Jim Leary, Chaplain, effective February 19, 1976.

Rev. William Schonebaum, Chaplain, effective February 23, 1976.

Mr. Conzemius moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

#### THIRD READING OF SENATE BILLS

S. F. No. 1252: A bill for an act relating to the blind; providing for vending stands and machines to be operated by the blind on property of state governmental subdivisions; amending Minnesota Statutes 1974, Section 248.07, Subdivision 7.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Ogdahl	Schmitz
Arnold	Gearty	Kleinbaum	Olhoff	Schrom
Ashbach	Hansen, Baldy	Knutson	Olson, A. G.	Spear
Borden	Hansen, Mel	Kowalczyk	Olson, J. L.	Stokowski
Brataas	Hanson, R.	Larson	O'Neill	Stumpf
Brown	Hughes	Laufenburger	Patton	Tennessee
Chenoweth	Humphrey	Lewis	Perpich, A. J.	Ueland
Chmielewski	Jensen	McCutcheon	Perpich, G.	
Conzemius	Josefson	Milton	Pillsbury	
Davies	Keefe, J.	Nelson	Renneke	
Doty	Keefe, S.	North	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 1949: A bill for an act relating to motor vehicles; authorizing the issuance of special license plates to physically handicapped persons; amending Minnesota Statutes, 1975 Supplement, Section 168.021, Subdivisions 1 and 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Ogdahl	Schmitz
Arnold	Gearty	Kleinbaum	Olhoff	Schrom
Ashbach	Hansen, Baldy	Knutson	Olson, A. G.	Sillers
Borden	Hansen, Mel	Kowalczyk	Olson, J. L.	Spear
Brataas	Hanson, R.	Larson	O'Neill	Stokowski
Brown	Hughes	Laufenburger	Patton	Stumpf
Chenoweth	Humphrey	Lewis	Perpich, A. J.	Tennessee
Chmielewski	Jensen	McCutcheon	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Pillsbury	
Davies	Keefe, J.	Nelson	Renneke	
Doty	Keefe, S.	North	Schaaf	

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 404: A bill for an act relating to banks; cash reserves of banks and trust companies; recordkeeping of savings associations; amending Minnesota Statutes 1974, Sections 48.22; and 51A.19, Subdivision 4.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Ogdahl	Schmitz
Arnold	Gearty	Kleinbaum	Olhoft	Schrom
Ashbach	Hansen, Baldy	Knutson	Olson, A. G.	Sillers
Borden	Hansen, Mel	Kowalczyk	Olson, J. L.	Spear
Brataas	Hansen, R.	Larson	O'Neill	Stokowski
Brown	Hughes	Laufenburger	Patton	Stumpf
Chenoweth	Humphrey	Lewis	Perpich, A. J.	Tennessee
Chmielewski	Jensen	McCutcheon	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Pillsbury	
Davies	Keefe, J.	Nelson	Renneke	
Doty	Keefe, S.	North	Schaaf	

So the bill passed and its title was agreed to.

H. F. No. 933: A bill for an act relating to elections; requiring that uncontested nonpartisan offices appear at the end of the ballot; amending Laws 1975, Chapter 5, Section 55, by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Kleinbaum	Olhoft	Sillers
Arnold	Hansen, Baldy	Knutson	Olson, A. G.	Solon
Ashbach	Hansen, Mel	Kowalczyk	O'Neill	Spear
Borden	Hansen, R.	Larson	Patton	Stokowski
Brataas	Hughes	Laufenburger	Perpich, A. J.	Stumpf
Chenoweth	Humphrey	Lewis	Perpich, G.	Tennessee
Chmielewski	Jensen	McCutcheon	Pillsbury	Ueland
Conzemius	Josefson	Milton	Renneke	
Davies	Keefe, J.	Nelson	Schaaf	
Doty	Keefe, S.	North	Schmitz	
Dunn	Kirchner	Ogdahl	Schrom	

So the bill passed and its title was agreed to.

#### CALENDAR OF ORDINARY MATTERS

S. F. No. 1873: A bill for an act relating to counties; authorizing counties to levy special assessments for county highway improvements within portions of unorganized townships; amending Minnesota Statutes 1974, Section 429.011, Subdivision 2a.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Hansen, Baldy	Josefson	Kowalczyk
Arnold	Conzemius	Hansen, Mel	Keefe, J.	Larson
Borden	Davies	Hansen, R.	Keefe, S.	Laufenburger
Brataas	Doty	Hughes	Kirchner	Lewis
Brown	Dunn	Humphrey	Kleinbaum	McCutcheon
Chenoweth	Gearty	Jensen	Knutson	Milton

Nelson	O'Neill	Renneke	Solon	Ueland
Ogdahl	Patton	Schaaf	Spear	
Olhoff	Perpich, A. J.	Schmitz	Stokowski	
Olson, A. G.	Perpich, G.	Schrom	Stumpf	
Olson, J. L.	Pillsbury	Sillers	Tennessee	

So the bill passed and its title was agreed to.

**GENERAL ORDERS**

The Senate resolved itself into a Committee of the Whole, with Mr. Laufenburger in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Laufenburger reported that the committee had considered the following:

S. F. Nos. 1869, 1914, 2033, 2161, and 1685, also H. F. Nos. 574, 523 and 1904, which the committee recommends to pass.

S. F. No. 1590, which the committee recommends to pass with the following amendment offered by Mr. Keefe, S.:

Page 5, line 14, strike "20" and insert "10"

Mr. Hansen, Mel moved to amend S. F. No. 1590 as follows:

Page 1, after line 10, insert

"Section 1. Minnesota Statutes, 1975 Supplement, Section 204A.29, Subdivision 1, is amended to read:

204A.29 [REGISTRATION, VOTER'S CERTIFICATE.] Subdivision 1. [FORM OF CERTIFICATE.] Wherever voters are registered under a permanent registration system before any person desiring to vote receives the ballots from the judges, a certificate containing the following information shall be signed by the applicant:

I hereby certify that I am permanently registered in accordance with the Minnesota Election Law and , am voting only in this precinct, and that the name I am using is my legal name.

(SIGNATURE OF VOTER)

.....

(ADDRESS)

.....

(APPROVED)

.....

Judge of Election"

Re number the sections in sequence

Amend the title as follows:

Page 1, line 8, after "Sections" insert "204A.29, Subdivision 1;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 20 and nays 23, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Mel	Keefe, J.	Larson	Pillsbury
Brataas	Hanson, R.	Kirchner	Nelson	Renneke
Brown	Jensen	Knutson	O'Neill	Sillers
Dunn	Josefson	Kowalczyk	Patton	Ueland

Those who voted in the negative were:

Arnold	Doty	Laufenburger	Perpich, A. J.	Stokowski
Borden	Gearty	Lewis	Perpich, G.	Stumpf
Chenoweth	Hughes	Milton	Schmitz	Tennessee
Conzemius	Humphrey	North	Solon	
Davies	Keefe, S.	Olhoff	Spears	

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

H. F. No. 1530, which the committee recommends to pass with the following amendments offered by Messrs. Keefe, J.; Conzemius; Chenoweth; and Nelson:

Mr. Keefe, J. moved to amend H. F. No. 1530, as amended pursuant to Rule 49, adopted by the Senate February 13, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1653.)

Page 16, line 5, strike "*and*" and after "10" insert ", *and 12*"

Mr. Conzemius moved to amend H. F. No. 1530, as amended pursuant to Rule 49, adopted by the Senate February 13, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1653.)

Page 3, strike line 9 and insert "*whose administrative offices are located within the metropolitan area.*"

Page 16, line 14, strike "*lying in whole or in part*"

Page 16, lines 23 and 24, strike "*lying in whole or in part*"

Mr. Chenoweth moved to amend H. F. No. 1530, as amended pursuant to Rule 49, adopted by the Senate February 13, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1653.)

Page 10, line 24, strike "*decision*"

Page 11, line 18, strike "15" and insert "16"

Page 12, line 26, strike "[473.192]" and insert "[473.176]"

Page 17, line 23, after "Sec. 18." insert "[473.925]"

Mr. Nelson moved to amend H. F. No. 1530, as amended pursuant to Rule 49, adopted by the Senate February 13, 1976, as follows:

Page 12, after line 25, insert new subdivisions to read:

*“Subd. 4. As used in subdivisions 4 to 12, the following words shall have the meanings ascribed to them.*

*Subd. 5. “Available residential land” means land within a municipality which is zoned for a residential use, which has access to sewer and water service, and for which no building permit has been issued as of April 1, 1976.*

*Subd. 6. “Order” means any administrative decision or directive made in a particular case, including the grant or denial of any permit or approval.*

*Subd. 7. The metropolitan council shall adopt, by October 1, 1976, after public hearings, standards and criteria, and a model ordinance, for official controls for reduced cost housing. The standards and criteria shall specify maximum official controls which shall be adopted by municipalities for reduced cost housing areas in the metropolitan area.*

*Subd. 8. The council shall establish a reduced cost housing advisory committee consisting of local elected officials, consumers, and persons experienced in the fields of housing construction and mortgage banking to provide advice and make recommendations in the preparation of the standards and criteria, model ordinance, and regulations.*

*Subd. 9. After the completion of the council review under section 9, all official controls of a local governmental unit must conform to the standards and criteria adopted pursuant to subdivisions 4 to 12.*

*Subd. 10. The standards and criteria for reduced cost single family residential housing shall set maximum official controls, including, but not limited to, the following:*

*(a) A zoning classification and ordinances that permit a minimum lot size of not more than 9,500 square feet, exclusive of street right-of-way and public open space;*

*(b) Building restrictions contained within the state building code;*

*(c) A minimum floor area requirement not more than 960 square feet or that required by the state building code;*

*(d) No requirement of a garage on new single family residential housing, although off street parking may be required.*

*Subd. 11. The standards and criteria for reduced cost multifamily housing shall set maximum official controls including, but not limited to, the following:*

*(a) A zoning classification and ordinances that permit a maximum density of not less than 20 units per acre;*

*(b) Building restrictions contained in the state building code;*

*(c) Minimum floor areas of not more than 450 square feet for efficiency apartments, 600 square feet for one bedroom units, and 780*

square feet for two bedroom units, or as required by the state building code;

(d) No requirement for garages for multifamily units, except that a municipality may provide for optional garage requirements in return for a grant of additional units per acre, and provided that off street parking may be required.

*Subd. 12. The reduced cost housing standards and criteria in subdivision 10 must be met in each local governmental unit for land suitable for development constituting not less than 25 percent of the total available residential land. The reduced cost housing standards and criteria in subdivision 11 must be met in each local governmental unit for land suitable for development constituting not less than ten percent of the total available residential land."*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 34 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knutson	Ogdahl	Schmitz
Ashbach	Gearty	Kowalczyk	Olson, A. G.	Sillers
Brataas	Hanson, R.	Larson	Olson, J. L.	Spear
Brown	Josefson	Lewis	O'Neill	Stumpf
Chenoweth	Keefe, J.	Merriam	Patton	Tennesen
Conzemius	Kirchner	Nelson	Pillsbury	Ueland
Davies	Kleinbaum	North	Renneke	

Those who voted in the negative were:

Borden	Keefe, S.	Milton	Olhoft	Schaaf
Humphrey				

The motion prevailed. So the amendment was adopted.

Mr. Keefe, J., moved to amend H. F. No. 1530, as amended pursuant to Rule 49, adopted by the Senate February 13, 1976, as follows:

(The text of the amended House file is identical to S.F. No. 1653.)

Page 5, strike lines 15 to 20 and insert "*shall conduct a hearing to consider the request and not later than 30 days after the hearing shall, by resolution containing findings of fact and final order, affirm or modify the systems statement.*"

Page 10, line 4, after "*resolution*" insert "*containing findings of fact and a final order*"

Page 10, line 20, strike everything after the period

Page 10, strike lines 21 to 25

Pages 12 to 14, strike all of section 12, and insert

"*Sec. 12. Subdivision 1. [BOARDS OF APPEAL.] When a dispute arises between the council and a local unit concerning the provisions of this act, a board of appeals shall be established to ar-*

*bitrate the dispute. One member shall be appointed by the council and one member shall be appointed by the local unit of government. The council appointee and the local unit appointee shall jointly select the third member from a list of five citizens nominated by the director of the state planning agency. Citizens nominated by the director must have served as a local unit elected official, but must not be presently serving in that capacity. If agreement on the third member cannot be reached voluntarily, the council appointee and the local unit appointee will alternately strike names from the list until only one name remains who shall then be the third board member.*

*Subd. 2. [ADMINISTRATIVE REVIEW.] Any local governmental unit aggrieved by a final council order pursuant to sections 5 or 9 may appeal the council's final order to the council and if the council and the local unit are unable to reach agreement on the matter so that it is acceptable to both parties, then a record of the disagreeing positions shall be made and presented to the director of the state planning agency for consideration by a board of appeals, if requested by the local governmental unit. A board of appeals shall then be established pursuant to subdivision 1 by the director. The board, after notice and hearings as provided for in contested cases, shall determine whether the systems statement is consistent with the metropolitan systems plans pursuant to section 5 of this act or whether the local comprehensive plan is consistent with the metropolitan systems plans pursuant to section 2, subdivision 8, of this act. The board shall not approve any systems statement unless it is consistent with the systems plans nor shall it approve any local plan unless it is consistent with the metropolitan systems plans.*

*Subd. 3. [JUDICIAL REVIEW.] Any local governmental unit or other person aggrieved by a final council order pursuant to sections 5 or 9 may appeal the council order pursuant to Minnesota Statutes, Sections 15.0424, 15.0425, and 15.0426, for contested cases. The council, local governmental unit or other person aggrieved by a final board order pursuant to this section may appeal the order pursuant to Minnesota Statutes, Sections 15.0424, 15.0425, and 15.0426, for contested cases. The council, unit, district or other person aggrieved by a final order or judgment rendered on appeal to the district court may appeal therefrom to the supreme court in the manner provided in civil actions."*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 22 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Hanson, R.	Knutson	O'Neill	Sillers
Ashbach	Jensen	Kowalczyk	Patton	Ueland
Brataas	Josefsen	Lanson	Pillsbury	
Brown	Keefe, J.	Nelson	Renneke	
Dunn	Kirchner	Olson, J. L.	Schmitz	

Those who voted in the negative were:

Borden	Hansen, Baldy	Lewis	Olhoft	Stokowski
Chenoweth	Hughes	McCutcheon	Olson, A. G.	Stumpf
Davies	Humphrey	Merriam	Schaaf	Tennessee
Doty	Keefe, S.	Milton	Solon	
Gearty	Kleinbaum	North	Spear	

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

Mr. Schmitz moved to amend H. F. No. 1530, as amended pursuant to Rule 49, adopted by the Senate February 13, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1653.)

Page 2, line 9, strike "*and school districts*"

Page 2, line 30, strike "*or school district*"

Page 3, strike all of Subdivision 7

Renumber the subdivisions in sequence

Page 4, lines 9 and 10, strike "*and school districts*"

Page 6, line 1, strike "*and affected school districts*"

Page 6, lines 31 and 32, strike "*and affected school districts*"

Pages 16 and 17, strike all of Section 16

Renumber the sections in sequence

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 20 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Kirchner	Nelson	Schmitz
Ashbach	Dunn	Knutson	Patton	Sillers
Borden	Hanson, R.	Kowalczyk	Pillsbury	Solon
Brown	Jensen	Larson	Renneke	Ueland

Those who voted in the negative were:

Brataas	Hansen, Baldy	McCutcheon	Olson, A. G.	Spear
Chenoweth	Humphrey	Merriam	Olson, J. L.	Stokowski
Conzenius	Josefson	Milton	O'Neill	Stumpf
Davies	Keefe, S.	North	Perpich, A. J.	Tennessee
Doty	Kleinbaum	Ogdahl	Perpich, G.	
Gearty	Lewis	Olhoft	Schaaf	

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

Mr. Knutson moved to amend H. F. No. 1530, as amended pursuant to Rule 49, adopted by the Senate February 13, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1653.)

Page 2, lines 16 to 18, strike all of Subdivision 2

Renumber the subdivisions in sequence

Page 3, lines 28 to 32, and page 4, lines 1 to 5, strike all of Section 3 and insert:

"Sec. 3. [473.903] [REVIEW AND APPEALS COMMITTEE.]  
Subdivision 1. A review and appeals committee shall be appointed with the following membership:

(a) seven county commissioners, one from each county in the metropolitan area, appointed for one year terms by the respective county boards at the regular January meeting;

(b) one council member appointed each January by the council for a one year term;

(c) one member of the governing body of the affected local unit who shall be appointed by the governing body of the affected unit to participate as a member only with respect to a matter affecting that unit.

Subd. 2. The committee shall elect its own chairman from among its members and, at the request of the local unit affected shall hold hearings within the affected unit.

Subd. 3. The review and appeals committee shall conduct hearings within 45 days after receipt of a request and shall take final action on any matter properly before it within 30 days after conclusion of hearings. Its decisions shall be final and shall be in the form of findings of fact and final order which may be appealed by any party pursuant to Minnesota Statutes, Sections 15.0424, 15.0425 and 15.0426 for contested cases.

Subd. 4. The review and appeals committee shall have jurisdiction when a request is made by a local unit aggrieved by a decision of the council made pursuant to section 5, subdivision 2, and section 9, subdivision 2."

Page 5, strike lines 15 to 20, and insert "shall hold a hearing within 60 days on the requested modification, and shall make a final determination within 30 days of the hearing."

Page 10, line 19, strike "12" and insert "3"

Page 10, lines 23 and 24, strike "12" and insert "3"

Page 12, line 9, strike "12" and insert "3"

Pages 12 to 14, strike all of Section 12

Renumber the sections in sequence

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 22 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Hanson, R.	Knutson	Olson, J. L.	Sillers
Ashbach	Jensen	Kowalczyk	Patton	Ueland
Brown	Josefson	Larson	Pillsbury	
Chmielewski	Keefe, J.	Olhoft	Renneke	
Dunn	Kirchner	Olson, H. D.	Schmitz	

Those who voted in the negative were:

Borden	Humphrey	McCutcheon	Olson, A. G.	Solon
Chenoweth	Keefe, S.	Merriam	O'Neill	Spear
Davies	Kleinbaum	Milton	Perpich, A. J.	Stokowski
Gearty	Laufenburger	North	Perpich, G.	Stumpf
Hansen, Baldy	Lewis	Ogdahl	Schaaf	Tennessee

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

Mr. Schmitz moved to amend H. F. No. 1530, as amended pursuant to Rule 49, adopted by the Senate February 13, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1653.)

Page 3, line 30, strike "16 members, one" and insert "a chairman and 22 elected officials: two officials from each of the five planning areas identified in the development framework of the metropolitan development guide adopted in 1975, one county commissioner from each metropolitan county, and one additional county commissioner from each of the counties of Anoka, Carver, Dakota, Scott, and Washington."

Page 3, strike lines 31 and 32

Page 4, strike lines 1 to 5

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 20 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Kirchner	Olhoft	Renneke
Asbach	Dunn	Knutson	Olson, J. L.	Schmitz
Brataas	Jensen	Kowalczyk	Patton	Sillers
Brown	Josefson	Larson	Pillsbury	Ueland

Those who voted in the negative were:

Borden	Humphrey	McCutcheon	Ogdahl	Spear
Chenoweth	Keefe, J.	Merriam	Olson, A. G.	Stokowski
Davies	Keefe, S.	Milton	O'Neill	Stumpf
Gearty	Kleinbaum	Nelson	Schaaf	Tennessee
Hansen, Baldy	Lewis	North		

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

The question being taken on the committee recommendation to pass H. F. No. 1530, as amended,

And the roll being called, there were yeas 27 and nays 19, as follows:

Those who voted in the affirmative were:

Borden	Keefe, J.	McCutcheon	Ogdahl	Solon
Chenoweth	Keefe, S.	Merriam	Olson, A. G.	Spear
Davies	Kleinbaum	Milton	O'Neill	Stokowski
Doty	Kowalczyk	Nelson	Pillsbury	Stumpf
Gearty	Laufenburger	North	Schaaf	Tennessee
Humphrey	Lewis			

Those who voted in the negative were:

Anderson	Conzemius	Jensen	Olhoff	Schmitz
Ashbach	Dunn	Josefson	Olson, J. L.	Sillers
Brataas	Hansen, Baldy	Knutson	Patton	Ueland
Brown	Hanson, R.	Larson	Renneke	

The motion prevailed. So the committee recommended H. F. No. 1530 to pass, as amended.

S. F. No. 1876 which the committee reports progress, subject to the following motion:

Mr. North moved to amend S.F. No. 1876 as follows:

Page 5, line 14, after *"the"* insert *"major part of their"*

Page 5, line 16, after the period insert: *"A member who is an employee of the state or a political subdivision shall not suffer a loss in compensation or benefits from the state or political subdivision as a result of his service on the council or committee."*

Pages 9 to 18, strike sections 16 to 27

Page 27, lines 23 to 24, strike *"the effective date of this act"* and insert *"July 1, 1976"*

Page 40, line 17, strike *"it"* and insert *"he"*

Page 52, lines 4 and 5, strike *"and section 4 of this act"*

Page 57, line 20, after *"duties"* insert *"," and to compensate personnel,"*

Page 58, line 17, strike *"60C.08;"*

Page 58, line 20, strike *"299C.47;"*

Page 58, line 22, strike *"and 241.023"* and insert *"241.023; and 299C.47"*

Page 58, line 23, strike *"56 to 61"* and insert *"44 to 49"*

Page 58, line 24, strike *"73"* and insert *"61"*

Page 58, line 29, strike *"35"* and insert *"23"*

Amend the title as follows:

Page 1, lines 12 to 13, strike *"the Minnesota insurance guaranty association board of directors,"*

Page 1, strike lines 24 to 26

Page 1, line 27, strike *"60C.15;"*

Page 2, line 5, strike *"60C.08;"*

Page 2, line 7, strike *"299C.47;"*

Page 2, line 9, strike *"and 241.023"* and insert *"241.023; and 299C.47"*

The motion prevailed. So the amendment was adopted.

And then, on motion of Mr. Laufenburger, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Conzemius moved that the Senate do now adjourn until 1:00 o'clock p.m., Friday, February 27, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**SEVENTY-EIGHTH DAY**

St. Paul, Minnesota, Friday, February 27, 1976

The Senate met at 1:00 o'clock p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. William Schonebaum.

The roll being called, the following Senators answered to their names:

Anderson	Dunn	Knutson	Olson, H. D.	Solon
Ashbach	Fitzsimons	Kowalczyk	Olson, J. L.	Spear
Berg	Gearty	Larson	O'Neill	Stokowski
Bernhagen	Hansen, Baldy	Laufenburger	Patton	Stumpf
Brataas	Hansen, Mel	Lewis	Perpich, G.	Tennessee
Brown	Hanson, R.	McCutcheon	Pillsbury	Ueland
Chenoweth	Hughes	Merriam	Purfeerst	Wegener
Chmielewski	Humphrey	Milton	Renneke	Willet
Coleman	Josefson	Moe	Schaaf	
Conzemius	Keefe, J.	Nelson	Schmitz	
Davies	Kirchner	Ogdahl	Schrom	
Doty	Kleinbaum	Olson, A. G.	Sillers	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**MEMBERS EXCUSED**

Messrs. Arnold; Bang; Blatz; Borden; Frederick; North; Olhoff; Perpich, A. J.; and Stassen were excused from the Session of today. Messrs. Berg and Renneke were excused from the Session of today at 1:45 o'clock p.m. Messrs. Hansen, Mel and Olson, J. L. were excused from the Session of today at 2:00 o'clock p.m.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Messrs. Ueland; Olson, H. D. and Patton introduced—

S. F. No. 2344: A bill for an act relating to motor vehicles; authorizing the issuance of temporary vehicle permits for certain specified purposes; amending Minnesota Statutes 1974, Sections 168.091, Subdivision 1; and 168.092, Subdivision 1.

Referred to the Committee on Transportation and General Legislation.

Mr. Tennesen introduced—

S. F. No. 2345: A bill for an act relating to public information; limiting use of certain information contained on commercial mailing lists; requiring permits and posting of bonds; defining terms.

Referred to the Committee on Judiciary.

Mr. Tennesen introduced—

S. F. No. 2346: A bill for an act relating to collection and dissemination of data; providing definitions; requiring a public document on data collection; authorizing audits of data collection practices and policies; providing for emergency classification in certain situations; amending Minnesota Statutes 1974, Chapter 15, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 15.162, Subdivisions 2a, 4, 5, 5a and 8; 15.163, Subdivisions 1 and 2, and by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Willet introduced—

S. F. No. 2347: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, by adding a section; making certain laws subject to referendum.

Referred to the Committee on Judiciary.

Messrs. Hansen, Mel; and Laufenburger introduced—

S. F. No. 2348: A bill for an act relating to highway traffic regulations; following a vehicle too closely; amending Minnesota Statutes 1974, Section 169.18, Subdivision 8.

Referred to the Committee on Transportation and General Legislation.

Mr. McCutcheon introduced—

S. F. No. 2349: A bill for an act relating to motor vehicles; providing for the registration of certain vehicles; amending Minnesota Statutes, 1975 Supplement, Section 168.10, Subdivision 1.

Referred to the Committee on Transportation and General Legislation.

Mr. McCutcheon introduced—

S. F. No. 2350: A bill for an act relating to retirement; distribution of state aid to policemen's relief associations; amending Minnesota Statutes 1974, Sections 69.011, Subdivisions 1, 2, and 4; and 69.021, Subdivisions 5, 6, and 7.

Referred to the Committee on Governmental Operations.

Messrs. Hughes, O'Neill and Anderson introduced—

S. F. No. 2351: A bill for an act relating to education; requiring school districts to engage in planning, evaluation and reporting; establishing an office of planning assistance for public elementary and secondary school districts; appropriating money.

Referred to the Committee on Education.

Messrs. Keefe, J.; Keefe, S. and Hansen, Mel introduced—

S. F. No. 2352: A bill for an act relating to adoption; authorizing release of birth information to adopted persons; requiring waiting period for objections from parents; amending Minnesota Statutes 1974, Sections 144.151, by adding a subdivision; 144.176, Subdivision 1, and by adding subdivisions.

Referred to the Committee on Judiciary.

Mr. Davies, Mrs. Brataas and Mr. Keefe, S. introduced—

S. F. No. 2353: A bill for an act relating to crimes; criminal sexual conduct; amending Minnesota Statutes 1974, Sections 246.-43, Subdivision 1; 609.195; 609.293, Subdivision 5; Minnesota Statutes, 1975 Supplement, Sections 609.11, Subdivision 1; 609.-341, Subdivision 10; 609.345; repealing Minnesota Statutes 1974, Section 609.293, Subdivisions 2, 3, and 4.

Referred to the Committee on Judiciary.

Mr. Bang introduced—

S. F. No. 2354: A bill for an act relating to taxation; permitting certain executors to claim senior citizens' income tax credit due decedents; amending Minnesota Statutes 1974, Section 290.0602.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Gearty, Ashbach and Coleman introduced—

S. F. No. 2355: A bill for an act relating to state employees; limiting severance allowances for certain employees; amending Minnesota Statutes, 1975 Supplement, Section 43.224.

Referred to the Committee on Governmental Operations.

Mr. Humphrey introduced—

S. F. No. 2356: A bill for an act relating to public welfare; requiring community mental health boards to include services for the physically handicapped; amending Minnesota Statutes 1974, Sections 245.61; and 245.68; and Minnesota Statutes, 1975 Supplement, Section 245.66.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Humphrey, Schaaf and Keefe, J. introduced—

S. F. No. 2357: A bill for an act relating to Minnesota Statutes; restoring certain erroneously omitted language; amending Laws 1975, Chapter 347, Section 3.

Referred to the Committee on Judiciary.

Messrs. Humphrey, Schaaf and Keefe, J. introduced—

S. F. No. 2358: A bill for an act relating to Minnesota Statutes; providing for the correction of erroneous, ambiguous, omitted and obsolete references and text; reenacting certain laws inadvertently repealed; eliminating certain duplicitious and conflicting provisions superseded by or conflicting with other provisions of law; amending Minnesota Statutes 1974, Chapter 359, by adding a section; Sections 9.031, Subdivision 3; 15.50, Subdivision 2; 16.02, Subdivision 14; 16.13; 16.872, Subdivision 2; 16A.125, Subdivision 6; 30.464, Subdivision 1; 30.467; 30.469; 38.02, Subdivision 2; 43.07, Subdivision 1; 72A.25, Subdivision 3; 86.41; 110.53; 116F.08; 121.85; 121.86; 121.88; 123.32, Subdivision 7; 144.01; 144.63, Subdivision 2; 144.952, Subdivision 1; 151.02; 155.04; 156.11; 176.471, Subdivision 3; 205.10, as amended; 216.25; 239.46; 246.02, Subdivision 4; 248.07, Subdivision 4; 253A.02, Subdivision 18; 256.863; 256.935, Subdivision 1; 256D.21; 268.10, Subdivision 8; 270.10, Subdivision 1; 271.10, Subdivision 2; 275.127; 291.33, Subdivision 1; 298.281, Subdivision 5; 306.38, Subdivision 2; 309.52, Subdivision 1a; 319A.11, Subdivision 2; 341.05, Subdivision 2; 341.06; 341.07; 341.08; 341.09, Subdivisions 2 and 3; 341.12; 341.13; 341.15; 345.38, Subdivision 1; 355.80; 363.10; 366.10; 368.01, Subdivision 25; 375A.09, Subdivision 4; 414.07, Subdivision 2; 414.08; 430.031, Subdivision 4; 462A.04, Subdivision 1; 472.03, Subdivision 2; 481.15, Subdivision 2; 487.03, Subdivision 2; 490.12, Subdivision 5; 490.16, Subdivision 6; 532.38; 546.09; 546.10; 562.04; 617.41; Minnesota Statutes, 1975 Supplement, Sections 15.162, Subdivision 1; 15.163, Subdivision 2; 15.166, Subdivisions 1 and 2; 15.167; 43.12, Subdivision 23; 43.43, Subdivision 2; 82.18; 116A.01, Subdivision 1a; 116A.20, Subdivision 1; 116A.24, Subdivision 1; 121.87, Subdivision 1; 123.36, Subdivision 10; 124.03, Subdivision 1; 124.212, Subdivision 8a; 127.25, Subdivision 3; 136A.233, Subdivision 1; 144.53; 147.01; 148.03; 148.181, Subdivision 1; 148.52; 148.67; 150A.02, Subdivision 1; 153.02; 154.22; 156.01, Subdivision 1; 210A.09; 273.138, Subdivision 3; 298.281, Subdivision 1; 325.942, Subdivision 1; 326.04; 326.17; 326.241, Subdivision 1; 326.541; 341.01; 341.04; 341.05, Subdivision 1; 341.10; 341.11; 354A.12; 386.63, Subdivision 1; 473.204, Subdivision 2; 473.823, Subdivision 4; 488A.01, Subdivision 5; 500.24, Subdivision 2; 501.81, Subdivision 3; Laws 1975, Chapter 271, Section 3; reenacting Laws 1969, Chapters 1123, as amended; 1126, Section 2, as amended; and 1137, as amended; repealing Minnesota Statutes 1974, Sections 15A.081, Subdivision 1a; 123.31, as amended; 239.45; and 366.182; Laws 1975, Chapters 46, Section 11; 162, Section 28; and 342, Section 1; Laws 1976, Chapter 2, Section 152.

Referred to the Committee on Judiciary.

Messrs. Hughes and Sillers introduced—

S. F. No. 2359: A bill for an act relating to taxation; changing definition of special levies for provisions limiting levies of governmental subdivisions; amending Minnesota Statutes 1974, Section 275.50, Subdivision 5, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Merriam introduced—

S. F. No. 2360: A bill for an act relating to public health; allowing a parent or guardian to refuse certain immunizations for a child or ward on conscientious grounds; amending Minnesota Statutes 1974, Section 123.70, Subdivisions 1 and 2.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Anderson introduced—

S. F. No. 2361: A bill for an act relating to counties; creating enforcement procedures for violations of county plans; amending Minnesota Statutes 1974, Section 394.37, Subdivision 3.

Referred to the Committee on Local Government.

Messrs. Anderson, Dunn and Chmielewski introduced—

S. F. No. 2362: A bill for an act relating to counties; changing lands subject to county control; amending Minnesota Statutes 1974, Section 394.24, Subdivision 3.

Referred to the Committee on Natural Resources and Agriculture.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1551.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 26, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 830: A bill for an act relating to health care; requiring certain insurance policies and health care plans to provide

benefits for health care services rendered in free standing ambulatory surgical centers.

Senate File No. 830 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 26, 1976

Mr. Kleinbaum moved that S. F. No. 830 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 375: A bill for an act relating to city and town government; excluding statutory cities from the application of certain city laws; modifying the application of other laws to conform to the present classification of cities; amending various statutes to reflect the conversion of villages and boroughs to statutory cities; repealing various obsolete provisions of municipal laws; amending Minnesota Statutes 1974, Sections 144.154; 145.01; 205.07, Subdivision 1; 205.10; 205.11; 205.13; 205.14, Subdivision 3; 205.15; 205.16; 205.17, Subdivisions 1 and 3; 205.20, Subdivisions 1 and 4; 329.09; 366.10; 410.05, Subdivision 1; 412.02, Subdivision 5; 412.022, Subdivision 1; 412.023, Subdivision 5; 412.131; 412.171; 412.191, Subdivision 1; 412.311; 412.571, Subdivisions 1, 4 and 5; 413.02, Subdivisions 1 and 2; 415.11, Subdivision 1; 427.09; 427.10; 427.11; 427.12; 429.111; 437.02; 440.11; 440.135, Subdivision 1; 446.04, Subdivision 1; 447.05; 451.06; 451.09; 452.01, Subdivision 1; 455.01; 455.05; 455.13; 455.23; 455.26; 455.27; 455.28; 455.29; 455.30; 455.32; 456.32; 457.13; 458.09, Subdivision 1; 458.20; 458.25; 458.46; 463.04; 465.26; 465.70; 465.71; 471.38, Subdivision 1; Chapters 205, by adding a section; 410, by adding a section; and repealing Minnesota Statutes 1974, Sections 118.05; 145.02; 197.64; 205.05; 205.06; 205.07, Subdivision 2; 205.08; 205.09; 205.091; 205.12; 274.013; 275.24; 275.36; 368.12; 368.50 to 368.84; 412.017; 412.022, Subdivisions 2 and 3; 412.191, Subdivision 5; 412.841; 415.031 to 415.07; 416.03; 416.04; 416.08 to 416.15; 418.13 to 418.15; 423.21; 426.09; 426.10; 426.15 to 426.18; 435.05; 435.41; 435.46; 436.02; 436.04; 437.01; 438.03; 438.04; 438.07; 440.12; 440.16 to 440.32; 440.39; 441.10 to 441.20; 441.265 to 441.46; 443.14 to 443.17; 443.20 to 443.25; 444.15; 446.03; 447.08; 447.09; 447.23; 448.04 to 448.16; 448.26 to 448.49; 449.04; 449.05; 449.07; 450.06 to 450.08; 452.01, Subdivision 2; 452.02 to 452.07; 452.18 to 452.20; 453.01 to 453.14; 454.01 to 454.045; 455.02 to 455.04; 455.06 to 455.11; 455.15 to 455.22; 456.01 to 456.15; 456.23; 457.02; 457.12; 458.26 to 458.31; 458.47 to 458.49; 459.08 to 459.13; 461.01; 461.07 to 461.11; 463.05; 465.06 to 465.08; 465.51; 465.52; 465.57; 465.59 to 465.63; 471.01 to 471.04; 471.05 to 471.14; 471.48; 645.44, Subdivision 3a; Chapter 460, as it appears

in Minnesota Statutes 1945; Laws 1895, Chapter 239; Laws 1897, Chapter 85; Laws 1901, Chapter 379; Laws 1907, Chapter 22; Laws 1911, Chapter 53; Laws 1913, Chapters 7 and 47; Laws 1915, Chapters 125 and 230, Sections 2 and 3; Laws 1917, Chapter 190; Laws 1919, Chapter 424; Laws 1921, Chapter 30; Extra Session Laws 1935, Chapter 8; Laws 1937, Chapter 198; Laws 1941, Chapter 266, as amended; Laws 1947, Chapter 470 and Laws 1953, Chapter 697.

Senate File No. 375 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 26, 1976

Mr. Willet moved that S. F. No. 375 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1949 and 2034.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 27, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted:

H. F. Nos. 790, 1999, 2039, 1892, 1996, 2077 and 2331.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 26, 1976

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1057:

H. F. No. 1057: A bill for an act relating to education; school districts; Independent School District No. 518; powers and duties; requiring a public hearing and providing for an election before closing a schoolhouse; amending Minnesota Statutes 1974, Section 123.36, by adding a subdivision.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Menning; Johnson, C. and Esau, have been appointed as such committee on the part of the House.

House File No. 1057 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 26, 1976

Mr. Anderson moved that H. F. No. 1057 be laid on the table. The motion prevailed.

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 790: A bill for an act relating to public welfare; providing visitation rights to unmarried minor children for grandparents in certain cases.

Referred to the Committee on Judiciary.

H. F. No. 1999: A bill for an act relating to game and fish; providing temporary permits for handicapped hunters; amending Minnesota Statutes, 1975 Supplement, Section 98.48, Subdivision 12.

Referred to the Committee on Rules and Administration.

H. F. No. 2039: A bill for an act relating to health care; clarifying and expanding the patients' bill of rights; requiring certain notices; providing penalties; amending Minnesota Statutes 1974, Sections 144.651 and 144.652.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1892: A bill for an act relating to civil defense; requiring the executive council to declare an emergency when a disaster has occurred or is imminent; requiring the division of emergency service to assist in the provision of relief measures when a disaster occurs and to coordinate interjurisdictional disaster planning; amending Minnesota Statutes 1974, Sections 12.01; 12.02, Subdivision 1; 12.03; and Chapters 9, by adding a section; and 12, by adding sections.

Referred to the Committee on Governmental Operations.

H. F. No. 1996: A bill for an act relating to education; requiring school boards to take control of all co-curricular school activities; changing the method of accounting for co-curricular and extra curricular activities; describing co-curricular and extra curricular activities; amending Minnesota Statutes 1974, Section 123.38, Subdivisions 1, 2 and 3, and by adding subdivisions.

Referred to the Committee on Rules and Administration.

H. F. No. 2077: A bill for an act relating to drivers' licenses; classifications thereof; specifying the types of vehicles that may be driven by the holder of the various classes of licenses; providing that a class C license is valid for the operation of special mobile equipment used primarily for the construction or maintenance of streets and highways; providing a change in the weight limitation for class C licenses; amending Minnesota Statutes 1974, Section 171.02, Subdivision 2.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 2331: A bill for an act relating to education; authorizing Independent School District No. 625 to issue bonds for the purpose of correcting cash flow problems and for other purposes; requiring a tax levy in certain years to eliminate the operating debt of the district; appropriating money.

Mr. Coleman moved that H. F. No. 2331 be laid on the table. The motion prevailed.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2219: A bill for an act relating to education; authorizing Independent School District No. 625 to issue bonds for the purpose of correcting cash flow problems and for other purposes; requiring a tax levy in certain years to eliminate the operating debt of the district.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [BOND AUTHORIZATION.] Subdivision 1. Independent School District No. 625 is hereby authorized to issue not to exceed \$6,400,000 of general obligation bonds for the purpose of establishing a special reserve account for the district to permit the district to segregate adequate tax receipts and aid receipts for the repayment of tax and aid anticipation certificates respectively. These obligations shall be issued and sold in accordance with the further provisions of Minnesota Statutes, Chapter 475 except that no election shall be required to authorize their issuance and that the total principal and interest requirements of said issue in any year shall not exceed 1.5 mills times the adjusted assessed valuation of the taxable property of the district for calendar year 1975 as determined by the equalization aid review committee. The full faith and credit of the district shall be pledged for the payment of the principal of and interest on the bonds and the district is hereby authorized and required

to levy taxes upon all taxable property in the district without limitation as to rate or amount for the payment of the principal of and interest on said bonds.

Subd. 2. The debt service levy to be made by the district in 1976, collectible in 1977, shall be reduced by up to \$1,500,000, provided that at the time its levy is certified in 1976 there exists in its sinking funds for its outstanding general obligation bonds a surplus equal to the amount of such reduction. To the extent that this debt service levy is reduced, the district may levy additional taxes in an amount equal to such reduction and the amount of the additional levy shall, when received, be deposited in the sinking fund for the obligations authorized in subdivision 1. The levy made at the time of the sale and issuance of the bonds authorized in subdivision 1 shall not be reduced by reason of the availability of the proceeds of such additional levy in the sinking fund for said bonds, until such time as there is on hand in said sinking fund an amount sufficient to pay all then outstanding bonds of said issue and the interest thereon.

Sec. 2. [ACCOUNTING SYSTEM MONITORED BY LEGISLATIVE AUDITOR.] Subdivision 1. The legislative auditor shall perform an audit of the finances of Independent School District No. 625 for fiscal year 1976 in accordance with the principles of the uniform financial accounting and reporting system which has been developed in accordance with the requirement of Laws 1973, Chapter 683, Section 22. The legislative auditor and his employees may personally conduct this audit and examination or may, at his discretion, contract with certified accountants or public accounting firms to provide this service.

The legislative auditor shall also restate, in accordance with the uniform financial accounting and reporting system, the audit of the district which was performed for fiscal year 1975.

The legislative auditor shall report the results of the audit and the restatement to the appropriate committees of the legislature by October 15, 1976.

Subd. 2. On or before July 1, 1976, the school district shall adopt a system of accounting, budgeting, and reporting in accordance with the principles of the uniform financial accounting and reporting system. The legislative auditor shall monitor and assist in the implementation of this system by the school district. The legislative auditor shall report to the legislative audit commission and other appropriate committees of the legislature at the times he deems necessary, but not less than twice each year. He shall make his initial report on or before January 15, 1977.

Subd. 3. Independent School District No. 625 shall provide cooperation and assistance as necessary to the legislative auditor to allow him to perform his duties pursuant to this section.

Sec. 3. [STATUTORY OPERATING DEBT.] Subdivision 1. The "statutory operating debt" of Independent School District No. 625 means the net negative fund balances in all school district

funds, other than the capital expenditure and building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated as of June 30, 1976 in accordance with the principles of the uniform financial accounting and reporting system.

Subd. 2. The legislative auditor shall certify the amount of statutory operating debt of the district as of June 30, 1976. He may adjust this amount on the basis of corrected figures until June 30, 1978.

Sec. 4. [EXCESS LEVY.] In addition to all other levies permitted by law, in 1976 and each year thereafter, Independent School District No. 625 shall make an additional levy to eliminate its statutory operating debt for the school year ending June 30, 1976 as certified by the legislative auditor pursuant to section 3. Each year the commissioner of education shall certify to the county auditor and Independent School District No. 625 the correct amount of this levy. 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, less any amount necessary for the payment of principal and interest on bonds sold pursuant to section 1. When the cumulative receipts from the levies made pursuant to this section and the earnings in the reserve account established under section 5 equal an amount equal to the statutory operating debt, the levy shall be discontinued.

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. The funds in this account may be invested and reinvested in accordance with the further provisions of Minnesota Statutes, Section 475.66, as amended.

Subd. 2. When the funds in the special reserve account equal the total amount of the statutory operating debt as certified pursuant to section 3, but in no event later than December 31, 1997, the full amount in the special reserve account shall be used to eliminate the statutory operating debt of the district. Upon elimination of the statutory operating debt, the district shall recognize all tax receipts in the year required by the uniform financial accounting and reporting system.

**Sec. 6. [AUTHORIZATION FOR AID ANTICIPATION BORROWING.]** The provisions of Minnesota Statutes, Section 124.781 shall not apply to or limit in any way the aid anticipation borrowing of the district, and the district shall be permitted to borrow in anticipation of aids to the full extent permitted by the provisions of Minnesota Statutes, Sections 124.71 to 124.78.

**Sec. 7. [GENERAL FUND EXPENDITURE LIMITATION.]** In the 1977 fiscal year or in any fiscal year thereafter, Independent School District No. 625 shall not spend any amount in that fiscal year which the district receives from the foundation aid in Minnesota Statutes, Section 124.212, plus the levy allowable under Minnesota Statutes, Section 275.125, Subdivision 2a, plus the levy allowable under Minnesota Statutes, Section 275.125, Subdivision 6, which exceeds the amount which the district would otherwise be entitled to receive from these same sources if it were not using tax anticipation certificates or other methods of borrowing to borrow against tax revenues for the next fiscal year or if it were not using tax receipts intended for the next fiscal year in the prior fiscal year.

**Sec. 8. [LIMITATION AND REDUCTION OF TAX ANTICIPATION BORROWING.]** Subdivision 1. Notwithstanding the provisions of Minnesota Statutes, Section 124.781, Subdivision 2, in the fiscal year 1977, Independent School District No. 625 shall not issue tax anticipation certificates pursuant to Minnesota Statutes, Sections 124.71 to 124.78 in an amount to exceed \$23,250,000. In fiscal year 1978 or any year thereafter, the district shall not issue tax anticipation certificates in an amount to exceed \$23,250,000, less the amount by which the balance in the reserve account for purposes of reducing statutory operating debt exceeds \$6,400,000 as of December 31 of the previous year.

Subd. 2. The legislative audit commission may, upon application of the district, authorize a waiver of the limitation contained in subdivision 1, in the event of an emergency. If the legislative audit commission authorizes such a waiver, it shall report this fact prior to the effective date of the waiver to the appropriate committees of the legislature.

**Sec. 9. [PROHIBITION OF CERTAIN FUND TRANSFERS.]** Independent School District No. 625 shall not for any purpose borrow or temporarily transfer funds from its building construction account, its debt service account, or from any sinking fund for outstanding bonds issued for building construction or any other purpose.

**Sec. 10.** Subdivision 1. Notwithstanding the provisions of Minnesota Statutes, Section 125.17, Subdivision 1, Clause (a), the definition of "teacher" as used in the application of Minnesota Statutes, Section 125.17 to individuals employed by Independent School District No. 625 shall not include any person regularly employed to superintend or supervise classroom instruction, or person who comes within the definitions of Minnesota Statutes, Section 179.63, Subdivision 9. However, the definition of

“teacher” in Minnesota Statutes, Section 125.17, shall include any person who comes within the definition in Minnesota Statutes, Section 179.63, Subdivision 14.

Subd. 2. As of June 30, 1976, any individual excluded from the provisions of Minnesota Statutes, Section 125.17 by the operation of subdivision 1 of this section shall forfeit tenure rights in the district previously granted pursuant to Minnesota Statutes, Section 125.17; provided, any such excluded individual shall retain any tenure rights held as a teacher in the district at the time he assumed a position within the exclusionary definition of subdivision 1 and shall retain his date of first employment as a teacher for purposes of section 125.17, subdivision 11. Thereafter, such individuals shall have annual contracts with the district which the school board may or may not renew as it sees fit; provided, however, that the school board shall give any such individual whose contract it declines to renew for the following school year written notice to that effect. Moreover, the school board may discharge or demote any such individual during the term of an annual contract for any cause specified in Minnesota Statutes, Section 125.17, Subdivision 4. A written statement of the cause of the discharge or demotion shall be given to the individual by the school board at least 30 days before the removal or demotion shall become effective.

Subd. 3. In terminating personnel because of financial limitations or any other reason, the school board of Independent School District No. 625 shall give first priority to the terminations of central office personnel, administrative and supervisory personnel, and other personnel whose duties do not include day to day instructional contact with the students of the district. No cuts in programs shall be made by the district without the express approval of the board.

Sec. 11. [APPROPRIATION.] There is appropriated from the general fund in the state treasury to the legislative auditor the sum of \$100,000. Notwithstanding the provisions of Minnesota Statutes, Section 16A.28, or any other provision relating to the lapse of appropriations, the appropriation made pursuant to this section shall not lapse but shall continue until expended.

Sec. 12. Nothing in this act shall be construed to limit the existing powers of the legislative auditor.

Sec. 13. The provisions of this act shall be severable, and if any provision thereof, or the application of any such provision under any circumstances is held invalid, it shall not affect any other provision of this act or the application of any provision thereof under different circumstances.

Sec. 14. [EFFECTIVE DATE.] This act is effective the day following its final enactment.”

Further, amend the title as follows:

Page 1, line 7, after “district” insert “; removing certain persons from the application of Minnesota Statutes, Section 125.17 and removing their tenure rights granted thereunder; appropriating money”

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Pursuant to Rule 60, a roll call was taken on the motion of Mr. O'Neill to further amend S. F. 2219 as follows:

Strike section 10

Strike section 12

Renumber the sections accordingly

Page 8, line 28, strike "removing"

Page 8, strikes lines 29 and 30

Page 8, line 31, strike "thereunder;"

There were yeas 7 and nays 9 as follows:

Those who voted in the affirmative were:

Brataas, Humphrey, Moe, O'Neill, Patton, Stassen and Ueland

Those who voted in the negative were:

Anderson; Dunn; Kleinbaum; Lewis; Olson, H. D.; Sillers; Solon; Stumpf and Wegener

The amendment was not adopted.

The bill passed the Committee.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1050: A bill for an act relating to attorneys; repealing the statutory lien for attorney's fees; repealing Minnesota Statutes 1974, Section 481.13.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 481.11, is amended to read:

481.11 [CHANGE OF ATTORNEY.] The attorney in an action or proceeding may be changed at any time upon his consent, or, by order of the court, upon the application of the client for cause; but no change can be made on application of the client unless the charges of the attorney be paid. When such change is made, written notice of the substitution of a new attorney shall be given to adverse parties; until such notice, they shall recognize the former attorney.

Sec. 2. Minnesota Statutes 1974, Section 481.13, is amended to read:

481.13 [LIEN FOR ATTORNEY FEES.] An attorney has a lien for his compensation whether the agreement therefor be expressed or implied:

(1) Upon the papers of his client coming into his possession in the course of his employment;

(2) Upon money in his hands belonging to his client;

(3) (1) Upon the cause of action from the time of the service of the summons therein, or the commencement of the proceeding, and upon the interest of his client in any money or property involved in or affected by any action or proceeding in which he may have been employed, from the commencement of the action or proceeding, and, as against third parties, from the time of filing the notice of such lien claim, as provided in this section;

(4) Upon money or property in the hands of the adverse party to the action or proceeding in which the attorney was employed, from the time such party is given notice of the lien. If the client has an interest in any real or personal property, whether held by any bailee, pledgee, judgment creditor or otherwise, the attorney shall be entitled to a lien upon such property wherever situated, for the value of his services, whether under a special agreement as to compensation or for the reasonable value thereof, and shall also have a lien for any contributions in money or services which the attorney makes for the preservation of the client's interest in the property or for the enhancement of the value thereof. If the client is not a resident of this state, jurisdiction may be had by service of notice of order to show cause without the state or by mailing a copy thereof to the client outside of the state, without the need of further jurisdictional requirements, provided the property itself is within the State of Minnesota;

(5) (2) Upon a judgment, and whether there be a special agreement as to compensation, or whether a lien is claimed for the reasonable value of the services, the lien shall extend to the amount thereof from the time of giving notice of his claim to the judgment debtor, but this lien is subordinate to the rights existing between the parties to the action or proceedings;

(6) (3) The liens provided by clauses (3) (1), (4), and (5) (2) may be established, and the amount thereof determined, by the court, summarily, in the action or proceeding, on the application of the lien claimant or of any person or party interested in the property subject to such lien, on such notice to all parties interested therein as the court may, by order to show cause, prescribe, or such liens may be enforced, and the amount thereof determined, by the court, in an action for equitable relief brought for that purpose.

Judgment shall be entered under the direction of the court, adjudging the amount due and the sale of the property subjected to the lien, or some part thereof, to satisfy said amount, and directing the sheriff to proceed to sell the same according to the provisions of law relating to the sale of real estate on execution, and to make report to the court.

A certified transcript of the judgment shall be delivered to the sheriff, and shall be his authority for making the sale.

If the property so sold is real estate, the same shall be subject

to redemption in the manner provided by law for redemption of real property sold on execution.

Such liens shall not affect the right or title of bona fide purchasers or encumbrancers of the property subject thereto, for value and without notice; but a duly verified notice of intention to claim such lien, specifying the property on which the lien is claimed, and the amount thereof, if under express agreement, or, if not, then the reasonable value of the services for which such lien is claimed, filed as herein provided, shall charge subsequent purchasers and encumbrancers of such property with notice of said lien from the time of such filing.

(4) If the lien is claimed on the client's interest in real estate involved in or affected by the action or proceeding, such notice of intention to claim a lien thereon shall be filed in the office of the register of deeds or registrar of titles, where appropriate, and therein noted on the Certificate or Certificates of Title affected, in and for the county within which the same is situated. If the lien is claimed on the client's interest in personal property involved in or affected by the action or proceeding, the notice shall be filed in the same manner as provided by law for the filing of a chattel mortgages security interest.

Sec. 3. Minnesota Statutes 1974, Section 481.14, is amended to read:

481.14 [REFUSAL TO SURRENDER PROPERTY TO CLIENTS.] When an attorney shall refuse to deliver money or papers to a person from or for whom he has received them in the course of his professional employment, he may be required to do so, upon petition, by an order of court. Such order may be granted by the court in which the action was prosecuted, or, if no action was prosecuted, by the district court of the county where he resides, or by the Supreme Court, and may require him to make delivery within a time specified, or show cause why he should not be punished for contempt. In the event an attorney shall retain money of a client under a claim of right, including a claim for fees and expenses, the court shall determine the amount, if any, due such attorney, and shall order that any surplus amount remaining after deduction thereof be surrendered to the client.

If the attorney claims a lien upon the property, the court may:

(1) As a condition of making the order, require the client to give security, in form and amount as directed, to satisfy the lien when determined in an action; or

(2) Summarily inquire into and determine the facts upon which the lien claim is founded; or

(3) Direct a trial of the controversy by a jury, or refer it, and determine the same upon the verdict or report as in other cases."

Amend the title as follows:

Page 1, line 2, after "attorneys;" strike "repealing the statutory" and insert "change of attorney and statutory lien for attorneys' fees;

amending Minnesota Statutes 1974, Sections 481.11; 481.13; and 481.14.”

Page 1, strike lines 3 and 4

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1051: A bill for an relating to commerce; consumer services; providing for investigation of accusations against attorneys.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Section 481.15, is amended by adding a subdivision to read:

*Subd. 3. [NOTICE TO ATTORNEY GENERAL.] The administrative director of the state board of professional responsibility shall notify the attorney general of each complaint made to him directly or reported to him by a district ethics committee. The administrative director and each district ethics committee shall inform each complainant that if he is not satisfied with the disposition made by them, he may take his complaint to the attorney general. The attorney general may investigate accusations of dishonesty, fraud, or professional misconduct made against attorneys, and may petition the state board of professional responsibility for the disbarment, suspension, or reprimand of the attorney complained against whenever, in the opinion of the attorney general, the action is necessary to protect the public of this state. The attorney general may appeal the decision of the state board of professional responsibility to the supreme court. The accusation and all proceedings thereon shall remain private within the meaning of section 15.162, subdivision 5a, except as necessary to support a petition for disciplinary action.”*

Amend the title as follows:

Line 2, strike “commerce; consumer services” and insert “attorneys”

Line 4, after “attorneys” insert “; amending Minnesota Statutes 1974, Section 481.15, by adding a subdivision”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2087: A bill for an act relating to workers' compensation insurance; providing for the approval of rates and classifications by the commissioner of insurance after a hearing; providing for a hearing procedure; requiring the commissioner to employ an actuary; permitting the commissioner to assess a fee

to workers' compensation insurers; appropriating money; amending Minnesota Statutes 1974, Sections 60B.39, Subdivision 5; 79.01, Subdivision 1; 79.07; 79.09; 79.10; 79.11; 79.13; 79.17; 79.21; 79.24; 79.25; 79.26; 79.27; 79.29; 79.30; 79.31; 79.32; 176.185, Subdivision 1; and Chapter 79, by adding sections; Minnesota Statutes, 1975 Supplement, Section 79.28.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 23, insert:

"Sec. 2. Minnesota Statutes 1974, Section 79.01, is amended by adding a subdivision to read:

*Subd. 6. "Rate" means the rate applicable to a classification of employers.*

Sec. 3. Minnesota Statutes 1974, Section 79.01, is amended by adding a subdivision to read:

*Subd. 7. "Individual rate" means the rate as modified to be applicable to an individual employer."*

Page 2, line 16, strike "4" insert "6"

Page 2, line 19, strike "4" and insert "6"

Page 2, line 21, strike "4" and insert "6"

Page 2, line 25, strike "4" and insert "6"

Page 3, line 7, strike "4" and insert "6"

Page 3, line 18, strike "a" and insert "an individual"

Page 3, line 20, strike "4" and insert "6"

Page 4, line 22, strike "4" and insert "6"

Page 9, line 31, strike "4" and insert "6"

Page 11, line 15, strike "4" and insert "6"

Pages 12 to 15, strike sections 16 to 21

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, strike "60B.39, Subdivision 5;"

Page 1, line 11, after "Subdivision 1" insert ", and by adding subdivisions"

Page 1, line 12, strike "79.29;"

Page 1, line 13, strike "79.30; 79.31; 79.32;"

Page 1, line 14, after "sections" strike the semicolon, insert a period and strike the remainder of the title

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1996 for proper reference, recommends that it be referred to the Committee on Education.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

### SECOND READING OF SENATE BILLS

S. F. Nos. 2219, 1050 and 1051 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Perpich, G. moved that S. F. No. 869 be taken from the table. The motion prevailed.

### CONCURRENCE AND REPASSAGE

Mr. Perpich, G. moved that the Senate concur in the amendments by the House to S. F. No. 869 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 869: A bill for an act relating to St. Louis county; providing for the disposition of the proceeds from the sale or rental of tax forfeited lands or from the sale of any products therefrom.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kirchner	Nelson	Schaaf
Ashbach	Dunn	Kleinbaum	Ogdahl	Schmitz
Berg	Fitzsimons	Knutson	Olson, A. G.	Schrom
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Sillers
Brataas	Hansen, Baldy	Larson	O'Neill	Solon
Brown	Hansen, Mel	Laufenburger	Patton	Spear
Chenoweth	Hanson, R.	Lewis	Perpich, G.	Stokowski
Coleman	Hughes	McCutcheon	Pillsbury	Stumpf
Conzemius	Humphrey	Merriam	Purfeerst	Tennessee
Davies	Keefe, J.	Moe	Renneke	Ueland

So the bill, as amended, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. O'Neill moved that S. F. No. 570 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

### ADOPTION OF CONFERENCE COMMITTEE REPORT

Mr. O'Neill moved that the recommendations and Conference Committee Report as printed in the Journal February 26, 1976 on S. F. No. 570 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 570: A bill for an act relating to taxation; increasing the income tax deduction for dependents' school expenses; amending Minnesota Statutes 1974, Section 290.09, Subdivision 22.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

And the roll being called, there were yeas 51 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	Olson, A. G.	Sillers
Ashbach	Fitzsimons	Knutson	Olson, H. D.	Solon
Berg	Gearty	Kowalczyk	Olson, J. L.	Stokowski
Bernhagen	Hansen, Baldy	Larson	O'Neill	Stumpf
Brataas	Hansen, Mel	Laufenburger	Patton	Ueland
Brown	Hanson, R.	McCutcheon	Perpich, G.	Wegener
Chenoweth	Hughes	Merriam	Pillsbury	Willet
Chmielewski	Humphrey	Milton	Purfeerst	
Coleman	Josefson	Moe	Renneke	
Conzemius	Keefe, J.	Nelson	Schmitz	
Doty	Kirchner	Ogdahl	Schrom	

Those who voted in the negative were:

Davies	Lewis	Schaaf	Spear	Tennessee
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So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Conzemius introduced—

Senate Resolution No. 31: A Senate resolution authorizing transfer of money to the account of the Joint House-Senate Committee on the Minnesota State Prison to pay expenses incurred in the completion of the committee's investigation.

BE IT RESOLVED, by the Senate:

That the Secretary of the Senate is authorized to transfer the sum of \$5,000 from the Legislative Expense Account to the account of the Joint House-Senate Committee on the Minnesota State Prison to pay costs incurred covering printing, salaries and other expenses necessary to the completion of the committee's investigation.

Mr. Conzemius moved the adoption of the foregoing resolution.

The question being taken on the adoption of the resolution,

And the roll being called, there were yeas 53 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kirchner	Olson, A. G.	Schrom
Asbbach	Dunn	Kleinbaum	Olson, H. D.	Sillers
Berg	Fitzsimons	Knutson	Olson, J. L.	Solon
Bernhagen	Gearty	Kowalczyk	O'Neill	Spear
Brataas	Hansen, Baldy	Larson	Patton	Stokowski
Brown	Hansen, Mel	Laufenburger	Perpich, G.	Stumpf
Chenoweth	Hanson, R.	Lewis	Pillsbury	Ueland
Chmielewski	Hughes	McCutcheon	Purfeerst	Wexener
Coleman	Humphrey	Milton	Renneke	Willet
Conzemius	Keefe, J.	Moe	Schaaf	
Davies	Keefe, S.	Nelson	Schmitz	

Mr. Josefson voted in the negative.

The motion prevailed. So the resolution was adopted.

Mr. Keefe, S. moved that the name of Mr. Chenoweth be added as chief author to S. F. No. 1729. The motion prevailed.

Mr. Perpich, A. J. moved that the name of Mr. Spear be added as co-author to S. F. No. 2336. The motion prevailed.

Mr. Patton introduced—

Senate Resolution No. 32: A Senate Resolution Congratulating Mrs. Harry (Lillie) Ziegler on her selection as Bicentennial Mother of the year.

Referred to the Committee on Rules and Administration.

Mr. Laufenburger moved that the name of Mr. Tennessen be added as co-author to S. F. No. 2291. The motion prevailed.

Mr. Laufenburger moved that the report from the Committee on Transportation and General Legislation, reported February 26, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Laufenburger moved that the foregoing report be now adopted. The motion prevailed.

#### CONFIRMATION

Mr. Laufenburger moved that in accordance with the report from the Committee on Transportation and General Legislation, reported February 26, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

#### STATE ARTS BOARD

Louis N. Zelle, 1 Teal Island Road, North Oaks, Ramsey County, appointed effective February 6, 1976, for a term expiring January 3, 1977.

James Glazman, 1811 Vermillion Road, Duluth, St. Louis County, appointed effective February 6, 1976, for a term expiring January 3, 1977.

Phillip Von Blon, 2121 Dwight Lane, Minnetonka, Hennepin County, appointed effective February 6, 1976, for a term expiring January 3, 1977.

Kenneth Dayton, 392 Ferndale Road, Wayzata, Hennepin County, appointed effective February 6, 1976, for a term expiring January 2, 1978.

Mrs. Alvina O'Brien, 480 Grand Hill, St. Paul, Ramsey County, appointed effective February 6, 1976, for a term expiring January 2, 1978.

Dr. Walter S. Prausnitz, 2614 - 11th Street, Moorhead, Clay County, appointed effective February 6, 1976, for a term expiring January 1, 1979.

Miss Laura Jane Musser, 608 Highland, Little Falls, Morrison County, appointed effective February 6, 1976, for a term expiring January 1, 1979.

Mrs. Arlene Helgeson, Route 2, North River Road, St. Cloud, Stearns County, appointed effective February 6, 1976, for a term expiring January 1, 1979.

Mrs. Sandra Hale, 1833 Girard Avenue South, Minneapolis, Hennepin County, appointed effective February 6, 1976, for a term expiring January 7, 1980.

Mrs. Anne Marie Plunkett, Windamere, Rochester, Olmsted County, appointed effective February 6, 1976, for a term expiring January 7, 1980.

Dr. Alvin Zelickson, 101 Ardmore Drive, Minneapolis, Hennepin County, appointed effective February 6, 1976, for a term expiring January 7, 1980.

The motion prevailed. So the appointments were confirmed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Knutson, for Mr. Stassen, moved that S. F. No. 2061 be withdrawn from the Committee on Transportation and General Legislation and re-referred to the Committee on Education. The motion prevailed.

Mr. Coleman moved that H. F. No. 2331 be taken from the table. The motion prevailed.

#### CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the proceedings on H. F. No. 2331. The following Senators answered to their names:

Anderson	Coleman	Hansen, Mel	Kleinbaum	Milton
Ashbach	Conzemius	Hanson, R.	Knutson	Moe
Berg	Davies	Hughes	Kowalczyk	Nelson
Bernhagen	Doty	Humphrey	Larson	Olson, A. G.
Brataas	Dunn	Josefson	Laufenburger	Olson, H. D.
Brown	Fitzsimons	Keefe, J.	Lewis	Olson, J. L.
Chenoweth	Gearty	Keefe, S.	McCutcheon	O'Neill
Chmielewski	Hansen, Baldy	Kirchner	Merriam	Patton

Perpich, G.	Schaaf	Sillers	Stokowski	Ueland
Pillsbury	Schmitz	Solon	Stumpf	Wegener
Purfeerst	Schrom	Spear	Tennessee	Willet
Renneke				

The Sergeant-at-Arms was instructed to bring in the absent members.

### SUSPENSION OF RULES

Mr. Coleman moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 2331 and that the rules of the Senate be so far suspended as to give H. F. No. 2331 its second reading.

### RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

The question recurred on Mr. Coleman's motion.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 51 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Larson	Olson, J. L.	Spear
Ashbach	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Bernhagen	Hansen, Mel	Lewis	Patton	Stumpf
Brataas	Hanson, R.	McCutcheon	Perpich, G.	Tennessee
Brown	Hughes	Merriam	Pillsbury	Ueland
Chenoweth	Humphrey	Milton	Purfeerst	Wegener
Coleman	Keefe, J.	Moe	Schaaf	Willet
Davies	Keefe, S.	Nelson	Schmitz	
Doty	Kirchner	Ogdahl	Schrom	
Dunn	Kleinbaum	Olson, A. G.	Sillers	
Fitzsimons	Knutson	Olson, H. D.	Solon	

Mr. Chmielewski voted in the negative.

The motion prevailed. So the rules were suspended.

H. F. No. 2331 was read the second time.

Mr. Coleman moved to amend H. F. No. 2331 as follows:

Strike everything after the enacting clause and insert:

"Section 1. [BOND AUTHORIZATION.] Subdivision 1. Independent School District No. 625 is hereby authorized to issue not to exceed \$6,400,000 of general obligation bonds for the purpose of establishing a special reserve account for the district to permit the district to segregate adequate tax receipts and aid receipts for the repayment of tax and aid anticipation certificates respectively. These obligations shall be issued and sold in accordance with the further provisions of Minnesota Statutes, Chapter 475 except that no election shall be required to authorize their issuance and that the total principal and interest requirements of said issue in any year shall not exceed 1.5 mills times

the adjusted assessed valuation of the taxable property of the district for calendar year 1975 as determined by the equalization aid review committee. The full faith and credit of the district shall be pledged for the payment of the principal of and interest on the bonds and the district is hereby authorized and required to levy taxes upon all taxable property in the district without limitation as to rate or amount for the payment of the principal of and interest on said bonds.

Subd. 2. The debt service levy to be made by the district in 1976, collectible in 1977, shall be reduced by up to \$1,500,000, provided that at the time its levy is certified in 1976 there exists in its sinking funds for its outstanding general obligation bonds a surplus equal to the amount of such reduction. To the extent that this debt service levy is reduced, the district may levy additional taxes in an amount equal to such reduction and the amount of the additional levy shall, when received, be deposited in the sinking fund for the obligations authorized in subdivision 1. The levy made at the time of the sale and issuance of the bonds authorized in subdivision 1 shall not be reduced by reason of the availability of the proceeds of such additional levy in the sinking fund for said bonds, until such time as there is on hand in said sinking fund an amount sufficient to pay all then outstanding bonds of said issue and the interest thereon.

Sec. 2. [ACCOUNTING SYSTEM MONITORED BY LEGISLATIVE AUDITOR.] Subdivision 1. The legislative auditor shall perform an audit of the finances of Independent School District No. 625 for fiscal year 1976 in accordance with the principles of the uniform financial accounting and reporting system which has been developed in accordance with the requirement of Laws 1973, Chapter 683, Section 22. The legislative auditor and his employees may personally conduct this audit and examination or may, at his discretion, contract with certified public accountants or public accounting firms to provide this service.

The legislative auditor shall also restate, in accordance with the uniform financial accounting and reporting system, the audit of the district which was performed for fiscal year 1975.

The legislative auditor shall report the results of the audit and the restatement to the appropriate committees of the legislature by October 15, 1976.

Subd. 2. On or before July 1, 1976, the school district shall adopt a system of accounting, budgeting, and reporting in accordance with the principles of the uniform financial accounting and reporting system. The legislative auditor shall monitor and assist in the implementation of this system by the school district. The legislative auditor shall report to the legislative audit commission and other appropriate committees of the legislature at the times he deems necessary, but not less than twice each year. He shall make his initial report on or before January 15, 1977. Nothing in this section shall be construed to limit the existing powers of the legislative auditor.

Subd. 3. Independent School District No. 625 shall provide

cooperation and assistance as necessary to the legislative auditor to allow him to perform his duties pursuant to this section.

Sec. 3. [STATUTORY OPERATING DEBT.] Subdivision 1. The "statutory operating debt" of Independent School District No. 625 means the net negative fund balances in all school district funds, other than the capital expenditure and building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated as of June 30, 1976 in accordance with the principles of the uniform financial accounting and reporting system.

Subd. 2. The legislative auditor shall certify the amount of statutory operating debt of the district as of June 30, 1976. He may adjust this amount on the basis of corrected figures until June 30, 1978.

Sec. 4. [EXCESS LEVY.] In addition to all other levies permitted by law, in 1976 and each year thereafter, Independent School District No. 625 shall make an additional levy to eliminate its statutory operating debt for the school year ending June 30, 1976 as certified by the legislative auditor pursuant to section 3. Each year the commissioner of education shall certify to the county auditor and Independent School District No. 625 the correct amount of this levy. 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, less any amount necessary for the payment of principal and interest on bonds sold pursuant to section 1. When the cumulative receipts from the levies made pursuant to this section and the earnings in the reserve account established under section 5 equal an amount equal to the statutory operating debt, the levy shall be discontinued.

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. 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.

Subd. 2. When the funds in the special reserve account equal the total amount of the statutory operating debt as certified pursuant to section 3, but in no event later than December 31, 1997, the full amount in the special reserve account shall be used to

eliminate the statutory operating debt of the district. Upon elimination of the statutory operating debt, the district shall recognize all tax receipts in the year required by the uniform financial accounting and reporting system.

**Sec. 6. [AUTHORIZATION FOR AID ANTICIPATION BORROWING.]** The provisions of Minnesota Statutes, Section 124.781 shall not apply to or limit in any way the aid anticipation borrowing of the district, and the district shall be permitted to borrow in anticipation of aids to the full extent permitted by the provisions of Minnesota Statutes, Sections 124.71 to 124.78.

**Sec. 7. [GENERAL FUND EXPENDITURE LIMITATION.]** In the 1977 fiscal year or in any fiscal year thereafter, Independent School District No. 625 shall not spend any amount in that fiscal year which the district receives from the foundation aid in Minnesota Statutes, Section 124.212, plus the levy allowable under Minnesota Statutes, Section 275.125, Subdivision 2a. plus the levy allowable under Minnesota Statutes, Section 275.125, Subdivision 6, which exceeds the amount which the district would otherwise be entitled to receive from these same sources if it were not using tax anticipation certificates or other methods of borrowing to borrow against tax revenues for the next fiscal year or if it were not using tax receipts intended for the next fiscal year in the prior fiscal year.

**Sec. 8. [LIMITATION AND REDUCTION OF TAX ANTICIPATION BORROWING.]** Subdivision 1. Notwithstanding the provisions of Minnesota Statutes, Section 124.781, Subdivision 2, in the fiscal year 1977, Independent School District No. 625 shall not issue tax anticipation certificates pursuant to Minnesota Statutes, Sections 124.71 to 124.78 in an amount to exceed \$23,250,000. In fiscal year 1978 or any year thereafter, the district shall not issue tax anticipation certificates in an amount to exceed \$23,250,000, less the amount by which the balance in the reserve account for purposes of reducing statutory operating debt exceeds \$6,400,000 as of December 31 of the previous year.

Subd. 2. The legislative audit commission may, upon application of the district, authorize a waiver of the limitation contained in subdivision 1, in the event of an emergency. If the legislative audit commission authorizes such a waiver, it shall report this fact prior to the effective date of the waiver to the appropriate committees of the legislature.

**Sec. 9. [PROHIBITION OF CERTAIN FUND TRANSFERS.]** Independent School District No. 625 shall not for any purpose borrow or temporarily transfer funds from its building construction account, its debt service account, or from any sinking fund for outstanding bonds issued for building construction or any other purpose.

**Sec. 10.** Subdivision 1. Notwithstanding the provisions of Minnesota Statutes, Section 125.17, Subdivision 1, Clause (a), the definition of "teacher" as used in the application of Minnesota Statutes, Section 125.17 to individuals employed by Independent School District No. 625 shall not include any person regularly

employed to superintend or supervise classroom instruction, or any person who comes within the definitions of Minnesota Statutes, Section 179.63, Subdivision 9. However, the definition of "teacher" in Minnesota Statutes, Section 125.17, shall include any person who comes within the definition in Minnesota Statutes, Section 179.63, Subdivision 14.

Subd. 2. As of June 30, 1976, any individual excluded from the provisions of Minnesota Statutes, Section 125.17 by the operation of subdivision 1 of this section shall forfeit tenure rights in the district previously granted pursuant to Minnesota Statutes, Section 125.17; provided, any such excluded individual shall retain any tenure rights held as a teacher in the district at the time he assumed a position within the exclusionary definition of subdivision 1 and shall retain his date of first employment as a teacher for purposes of section 125.17, subdivision 11. Thereafter, such individuals shall have annual contracts with the district which the school board may or may not renew as it sees fit; provided, however, that the school board shall give any such individual whose contract it declines to renew for the following school year written notice to that effect. Moreover, the school board may discharge or demote any such individual during the term of an annual contract for any cause specified in Minnesota Statutes, Section 125.17, Subdivision 4. A written statement of the cause of the discharge or demotion shall be given to the individual by the school board at least 30 days before the removal or demotion shall become effective.

Subd. 3. In terminating personnel because of financial limitations or any other reason, the school board of Independent School District No. 625 is encouraged to give first priority to the terminations of central office personnel, administrative and supervisory personnel, and other personnel whose duties do not include day to day instructional contact with the students of the district. No cuts in programs shall be made by the district without the express approval of the board.

Sec. 11. [APPROPRIATION.] There is appropriated from the general fund in the state treasury to the legislative auditor the sum of \$100,000. Notwithstanding the provisions of Minnesota Statutes, Section 16A.28, or any other provision relating to the lapse of appropriations, the appropriation made pursuant to this section shall not lapse but shall continue until expended.

Sec. 12. Nothing in this act shall be construed to limit the existing powers of the legislative auditor.

Sec. 13. The provisions of this act shall be severable, and if any provision thereof, or the application of any such provision under any circumstances is held invalid, it shall not affect any other provision of this act or the application of any provision thereof under different circumstances.

Sec. 14. [EFFECTIVE DATE.] This act shall become effective only after its approval by a majority of the board of Independent School District No. 625 and upon compliance with the provisions of Minnesota Statutes, Section 645.021."

Further, amend the title as follows:

Page 1, line 7, after "district" insert "; removing certain persons from the application of Minnesota Statutes, Section 125.17 and removing their tenure rights granted thereunder"

The motion prevailed. So the amendment was adopted.

Mr. O'Neill moved to amend H. F. No. 2331, as amended by the Coleman amendment adopted by the Senate February 27, 1976, as follows:

Strike sections 10 and 13

Renumber the sections accordingly

Page 8, strike lines 31 and 32

Page 9, strike lines 1 to 3

Without objection, Mr. Hughes was excused from voting on all proceedings on H. F. No. 2331, pursuant to Rule 22.

Mr. Tennessen moved to amend H. F. No. 2331, as amended by the Coleman amendment adopted by the Senate February 27, 1976, as follows:

Amend the O'Neill amendment as follows:

In the first line of the O'Neill amendment, after "sections" strike "10 and 13" and insert "subdivisions 1 and 2 of section 10, and section 13"

The question being taken on the adoption of the Tennessen amendment to the O'Neill amendment,

And the roll being called, there were yeas 16 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Humphrey	Patton	Stokowski
Brataas	Fitzsimons	Josefson	Pillsbury	Tennessen
Brown	Hansen, Mel	Merriam	Spear	Ueland
Chmielewski				

Those who voted in the negative were:

Anderson	Gearty	Kowalczyk	Ogdahl	Schmitz
Bernhagen	Hansen, Baldy	Lewis	Olson, A. G.	Schrom
Chenoweth	Keefe, J.	McCutcheon	Olson, H. D.	Sillers
Coleman	Keefe, S.	Milton	O'Neill	Solon
Conzemius	Kirchner	Moe	Perpich, G.	Stumpf
Doty	Kleinbaum	Nelson	Purfeerst	Wegener
Dunn	Knutson	North	Schaaf	Willet

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

The question recurred on the O'Neill amendment.

The question being taken on the adoption of the amendment,

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

And the roll being called, there were yeas 24 and nays 27, as follows:

Those who voted in the affirmative were:

Ashbach	Doty	Humphrey	Kowalczyk	Pillsbury
Bernhagen	Dunn	Josefson	Merriam	Spear
Brataas	Fitzsimons	Keefe, J.	Nelson	Tennessee
Brown	Hansen, Baldy	Kirchner	O'Neill	Ueland
Chmielewski	Hansen, Mel	Knutson	Patton	

Those who voted in the negative were:

Anderson	Keefe, S.	Moe	Purfeerst	Stumpf
Chenoweth	Kleinbaum	North	Schaaf	Wegener
Coleman	Laufenburger	Ogdahl	Schmitz	Willet
Conzemius	Lewis	Olson, A. G.	Sillers	
Davies	McCutcheon	Olson, H. D.	Solon	
Gearty	Milton	Perpich, G.	Stokowski	

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

Mr. Nelson moved to amend H. F. No. 2331, as amended by the Coleman amendment adopted by the Senate February 27, 1976, as follows:

Page 8, after line 26, insert:

"Sec. 13. In addition to regular foundation aid payments in 1976-1977, any district having one or more full time classroom teachers with an M.A. degree or M.A. equivalency or whose experience level is above the statewide average experience level shall be eligible for advanced teacher training and experience aid. The statewide average experience level is seven years. The aid for advanced teacher experience shall be computed by multiplying the number by which the district experience index exceeds the statewide average experience index by \$500, to a maximum of \$2,500 for a 12 year index. The result of that calculation is the amount of aid granted to the school district by the department of education. The district experience index is obtained by adding the number of years of experience of all full time classroom teachers in the district and dividing by the number of full time classroom teachers in the district. The aid for advanced teacher training shall be computed by multiplying the percentage of full time classroom teachers in the district having an M.A. degree or M.A. equivalency by \$1,000. The result of that calculation is the amount of aid granted to the school district by the department of education."

Renumber the sections in sequence

Page 9, line 3, after "thereunder" insert "; providing for categorical aid to certain school districts"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 12 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Kirchner	Nelson	Pillsbury
Bernhagen	Hansen, Mel	Milton	Patton	Ueland
Brataas	Keefe, J.			

Those who voted in the negative were:

Anderson	Gearty	McCutcheon	Perpich, G.	Stumpf
Chenoweth	Hansen, Baldy	Merriam	Schaaf	Tennessee
Chmielewski	Hanson, R.	Moe	Schmitz	Wegener
Coleman	Humphrey	North	Schrom	Willet
Conzemius	Kleinbaum	Ogdahl	Sillers	
Davies	Knutson	Olson, A. G.	Solon	
Doty	Laufenburger	Olson, H. D.	Spear	
Dunn	Lewis	O'Neill	Stokowski	

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

### SUSPENSION OF RULES

Mr. Coleman moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 2331 and that the rules of the Senate be so far suspended as to give H. F. No. 2331 its third reading and place it on its final passage.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 50 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	North	Schmitz
Ashbach	Fitzsimons	Knutson	Ogdahl	Schrom
Bernhagen	Gearty	Kowalczyk	Olson, A. G.	Solon
Brataas	Hansen, Baldy	Laufenburger	Olson, H. D.	Spear
Chenoweth	Hansen, Mel	Lewis	O'Neill	Stokowski
Chmielewski	Hanson, R.	McCutcheon	Patton	Stumpf
Coleman	Humphrey	Merriam	Perpich, G.	Tennessee
Conzemius	Keefe, J.	Milton	Pillsbury	Ueland
Davies	Keefe, S.	Moe	Purfeerst	Wegener
Doty	Kirchner	Nelson	Schaaf	Willet

Messrs. Brown and Josefson voted in the negative.

The motion prevailed. So the rules were suspended.

H. F. No. 2331: A bill for an act relating to education; authorizing Independent School District No. 625 to issue bonds for the purpose of correcting cash flow problems and for other purposes; requiring a tax levy in certain years to eliminate the operating debt of the district; appropriating money.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 43 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Gearty	Keefe, S.	McCutcheon
Ashbach	Conzemius	Hansen, Baldy	Kirchner	Merriam
Brataas	Davies	Hansen, Mel	Kleinbaum	Milton
Chenoweth	Doty	Humphrey	Laufenburger	Moe
Chmielewski	Dunn	Keefe, J.	Lewis	Nelson

North	O'Neill	Schmitz	Spear	Wegener
Ogdahl	Perpich, G.	Schrom	Stokowski	Willet
Olson, A. G.	Purfeerst	Sillers	Stumpf	
Olson, H. D.	Schaaf	Solon	Tennessee	

Those who voted in the negative were:

Bernhagen	Fitzsimons	Josefson	Kowalczyk	Pillsbury
Brown	Hanson, R.	Knutson	Patton	Ueland

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

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 11:30 o'clock a.m., Monday, March 1, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTY-NINTH DAY

St. Paul, Minnesota, Monday, March 1, 1976

The Senate met at 11:30 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Arnold	Doty	Kleinbaum	Olson, H. D.	Spear
Ashbach	Dunn	Kowalczyk	Olson, J. L.	Stassen
Bang	Gearty	Larson	Patton	Stokowski
Berg	Hansen, Baldy	Lewis	Perpich, G.	Stumpf
Bernhagen	Hansen, Mel	McCutcheon	Pillsbury	Tennessee
Brataas	Hughes	Merriam	Purfeerst	Ueland
Brown	Humphrey	Moe	Renneke	Wegener
Chmielewski	Josefson	North	Schaaf	Willet
Coleman	Keefe, S.	Olhoft	Schmitz	
Conzemius	Kirchner	Olson, A. G.	Solon	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Alden Lynch.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Kleinbaum	Ogdahl	Schmitz
Arnold	Doty	Knutson	Olhoft	Schrom
Ashbach	Dunn	Kowalczyk	Olson, A. G.	Sillers
Bang	Gearty	Larson	Olson, H. D.	Solon
Berg	Hansen, Baldy	Laufenburger	Olson, J. L.	Spear
Bernhagen	Hansen, Mel	Lewis	O'Neill	Stassen
Brataas	Hughes	McCutcheon	Patton	Stokowski
Brown	Humphrey	Merriam	Perpich, G.	Stumpf
Chenoweth	Josefson	Milton	Pillsbury	Tennessee
Chmielewski	Keefe, J.	Moe	Purfeerst	Ueland
Coleman	Keefe, S.	Nelson	Renneke	Wegener
Conzemius	Kirchner	North	Schaaf	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Blatz; Borden; Fitzsimons; Frederick; Hanson, R.;

Jensen and Perpich, A. J., were excused from the Session of today. Mr. Purfeerst was excused from the Session of today at 1:00 o'clock p.m.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

March 1, 1976

The Honorable Alec Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate File:

S. F. No. 1949, An act relating to motor vehicles; authorizing the issuance of special license plates to physically handicapped persons; amending Minnesota Statutes, 1975 Supplement, Section 168.021, Subdivisions 1 and 2.

Sincerely,  
Wendell R. Anderson, Governor

### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Borden introduced—

S. F. No. 2363: A bill for an act relating to public welfare; providing for administrative and judicial review of certain actions and decisions of local welfare agencies; repealing Minnesota Statutes 1974, Sections 256.77; 256B.10; 256B.11; 256D.12; and 256D.40.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Lewis, Kowalczyk and Conzemius introduced—

S. F. No. 2364: A bill for an act relating to the administration of criminal justice; transferring primary investigatory jurisdiction in correctional institutions to the bureau of criminal apprehension; providing that the attorney general shall prosecute all criminal offenses arising on the premises of correctional institutions; amending Minnesota Statutes 1974, Sections 8.01; 299C.03; 387.03; and 388.05.

Referred to the Committee on Judiciary.

Messrs. Chenoweth, Ogdahl and Stokowski introduced—

S. F. No. 2365: A bill for an act relating to retirement;

actuarial valuations and experience studies of various public retirement funds; amortization of unfunded accrued liabilities; amending Minnesota Statutes 1974, Sections 356.22, Subdivision 2; 422A.08, Subdivision 2; and Minnesota Statutes, 1975 Supplement, Section 356.215, Subdivision 4.

Referred to the Committee on Governmental Operations.

Messrs. Spear, McCutcheon and Ogdahl introduced—

S. F. No. 2366: A bill for an act relating to the university of Minnesota; conferring university of Minnesota peace officers with limited powers of arrest; amending Minnesota Statutes 1974, Section 137.12; 626.05, Subdivision 2; 626A.01, Subdivision 7; and Chapter 626, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Olhoff, Dunn and Stumpf introduced—

S. F. No. 2367: A bill for an act relating to waste control; appropriating money for certain demonstration projects on the proper disposal of motor vehicle waste, abandoned motor vehicles and other scrap metal.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Ogdahl introduced—

S. F. No. 2368: A bill for an act relating to health; authorizing the board of medical examiners to issue licenses to certain persons who practice massage; amending Minnesota Statutes 1974, Chapter 145, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Solon and Doty introduced—

S. F. No. 2369: A bill for an act relating to the city of Duluth; firemen's survivor benefits; amending Laws 1975, Chapter 127, Section 2.

Referred to the Committee on Governmental Operations.

Messrs. Hansen, Baldy; Olson, J. L. and Olson, A. G. introduced—

S. F. No. 2370: A bill for an act relating to loan guaranties; requiring notice to guarantor of extent of liability.

Referred to the Committee on Labor and Commerce.

Messrs. Olson, H. D.; Patton and Spear introduced—

S. F. No. 2371: A bill for an act relating to drivers' licenses;

providing for the removal of licenses from revocation status under certain circumstances; amending Minnesota Statutes 1974, Section 171.20, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Keefe, J.; Gearty and Keefe, S. introduced—

S. F. No. 2372: A bill for an act relating to the city of Minneapolis; providing that the Hennepin county assessor assume the powers and duties of the city assessor.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Davies and Pillsbury introduced—

S. F. No. 2373: A bill for an act relating to estates; clarifies aspects of the law concerning administration of estates; harmonizes relevant registered land law with probate code; modifies document verification requirements; changes notice requirements; eliminates de novo appeals from probate court; authorizes the probate court to waive inheritance tax liens in supervised administrations; eliminates notice to attorney general for certain charitable devises; amending Minnesota Statutes 1974, Sections 524.1-310; 524.3-505; 524.3-1003; 524.3-1007; 524.3-1201; 525.72; amending Minnesota Statutes, 1975 Supplement, Sections 501.79, Subdivision 2; 508.68; 524.1-401; 524.3-301; 524.3-306; 524.3-310; 524.3-403; 524.3-603; 524.3-715; 524.3-801; 524.3-803; 524.3-806; 524.3-1204; 524.4-204; and 525.31.

Referred to the Committee on Judiciary.

Mr. Humphrey introduced—

S. F. No. 2374: A bill for an act relating to education; hyperactive children; restricting the administering of drugs in the public schools to affect behavior of children; requiring schools to label foods in the school lunch that are free of artificial colors and flavors.

Referred to the Committee on Education.

Messrs. Lewis and Sillers introduced—

S. F. No. 2375: A bill for an act relating to education; right to read program; appropriating money.

Referred to the Committee on Education.

Mr. Kleinbaum introduced—

S. F. No. 2376: A bill for an act relating to the city of St. Cloud; providing for the establishment of a housing and community development agency; modifying the powers of the housing

and redevelopment authority therein; granting powers and duties to the housing finance agency; providing penalties.

Referred to the Committee on Local Government.

Mr. Keefe, S. introduced—

S. F. No. 2377: A bill for an act relating to public welfare; mental health; allocating fees for services collected by mental health centers.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Milton, Stumpf and Lewis introduced—

S. F. No. 2378: A bill for an act relating to crime victims reparations; authorizing a claim to be filed within one year of the time when it could have been reasonably made; appropriating money; amending Minnesota Statutes 1974, Section 299B.03, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Chenoweth and Stumpf introduced—

S. F. No. 2379: A bill for an act relating to public transit; authorizing public transit authorities to establish public transit aid programs designed to assist nonprofit organizations providing transit services to the elderly and handicapped.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Tennessen introduced—

S. F. No. 2380: A bill for an act relating to the department of public welfare; providing for funding for detoxification programs; amending Minnesota Statutes 1974, Section 254A.08, Subdivision 3.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Olson, H. D. and Patton introduced—

S. F. No. 2381: A bill for an act relating to the city of Fairmont; authorizing a solid waste disposal and resource recovery facility; granting the city the powers of a county under Minnesota Statutes 1974, Chapter 400.

Referred to the Committee on Local Government.

Mr. Renneke introduced—

S. F. No. 2382: A bill for an act relating to drainage systems; authorizing a board or court to allow amendment of the engineer's and viewers' report for the purposes of taking into consideration

certain inflationary cost factors; amending Minnesota Statutes 1974, Section 106.241.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Davies and Olson, A. G. introduced—

S. F. No. 2383: A bill for an act relating to taxation; repealing the tax increment financing law; amending Minnesota Statutes 1974, Sections 462.585, Subdivision 1; and 472A.06; Minnesota Statutes, 1975 Supplement, Section 474.10, Subdivisions 1 and 4; repealing Minnesota Statutes 1974, Sections 458.192, Subdivision 11; 462.585, Subdivisions 2, 3, and 4; 472A.07; 472A.08; and 474.10, Subdivisions 2 and 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olson, H. D.; Purfeerst and Sillers introduced—

S. F. No. 2384: A bill for an act relating to education; school districts; state aids; providing for aid to school districts increasing their levy pursuant to referendum.

Referred to the Committee on Education.

Messrs. Brown, Gearty and Conzemius introduced—

S. F. No. 2385: A bill for an act relating to taxation; providing an inflation adjustment for the cost of residences for income tax purposes; amending Minnesota Statutes 1974, Section 290.13, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Lewis and Conzemius introduced—

S. F. No. 2386: A bill for an act relating to the operation of state government; providing for proportional representation in the state work force; amending Minnesota Statutes 1974, Sections 43.01, by adding subdivisions; 43.111; 43.15; and Minnesota Statutes, 1975 Supplement, Section 43.18, by adding a subdivision.

Referred to the Committee on Governmental Operations.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 10: A house concurrent resolu-

tion urging Congress and the President to terminate the Airline Mutual Aid Agreement.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 27, 1976

Referred to the Committee on Rules and Administration.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 404:

H. F. No. 404: A bill for an act relating to banks; cash reserves of banks and trust companies; recordkeeping of savings associations; amending Minnesota Statutes 1974, Sections 48.22; and 51A.19, Subdivision 4.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Brinkman, Philbrook and Sieloff have been appointed as such committee on the part of the House.

House File No. 404 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 27, 1976

Mr. Davies, for Mr. Borden moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 404, and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted:

H. F. Nos. 1462, 1891, 1932, 1959, 2011 and 2326.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 27, 1976

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1462: A bill for an act relating to Ramsey county; permitting the board of county commissioners to set the number of members of the county civil service commission.

Referred to the Committee on Rules and Administration.

H. F. No. 1891: A bill for an act relating to civil defense; providing for an interstate civil defense and disaster compact; repealing Laws 1951, Chapter 669.

Referred to the Committee on Governmental Operations.

H. F. No. 1932: A bill for an act relating to state administrative procedures; amending Minnesota Statutes 1974, Section 15.0418; and Minnesota Statutes, 1975 Supplement, Section 15.0411, Subdivisions 3 and 4.

Referred to the Committee on Judiciary.

H. F. No. 1959: A bill for an act authorizing the commissioner of administration to convey a portion of a water system at the Red Wing state training school to the city of Red Wing.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 2011: A bill for an act relating to state lands; authorizing the conveyance of certain state lands in Goodhue county to the city of Red Wing.

Referred to the Committee on Rules and Administration.

H. F. No. 2326: A bill for an act relating to highway traffic regulations; driving restrictions on certain juveniles; repealing Minnesota Statutes 1974, Section 169.131.

Referred to the Committee on Rules and Administration.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1838: A bill for an act relating to crimes; accusation; increasing the limitation on time in which an indictment for offering of bribes to or acceptance of bribes by public officers or employees may be found; amending Minnesota Statutes 1974, Section 628.26.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "*may*" and insert "*shall*"

Page 1, line 13, after "*found*" insert "*and filed in the proper court*"

Page 1, line 19, strike "*limitation of three years*" and insert "*limitations imposed by this section*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1862: A bill for an act relating to motor vehicles; registration and taxation; removing certain requirements for notarization; amending Minnesota Statutes, 1975 Supplement, Section 168.10, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 2124: A bill for an act relating to cities; increasing the amount of obligations that may be issued for television systems; validating prior issuances; amending Minnesota Statutes 1974, Section 465.70.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 12, strike "\$150,000" and insert "\$200,000"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 2031: A bill for an act relating to county agricultural societies; authorizing the renewal of the period of corporate existence of certain agricultural societies whose period of duration has expired; validating acts done and contracts made subsequent to the expiration of the corporate existence.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 2223: A bill for an act relating to the city of Albert Lea; authorizing a housing finance program; providing for the issuance of general obligation and revenue bonds to finance the program.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 7, strike "and that the bonds may be sold by negotiation"

Page 3, line 8, strike "without advertisement for bids"

Page 4, line 10, strike ", including in particular powers of"

Page 4, line 11, strike "the type set forth in section 462A.22, subdivision 8"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1959: A bill for an act relating to nursing homes; establishing an office of nursing home complaints; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, strike "4" and insert "6"

Page 1, line 13, after the semicolon, strike "or"

Page 1, line 15, strike the period and insert "; or"

Page 1, after line 15, insert "(d) Any court or judge."

Page 1, after line 17, insert:

"Subd. 4. "Health care provider" means any professional licensed by the state to provide medical or health care services who does provide the services to a resident of a nursing home.

Subd. 5. "Nursing home" means a facility or that part of a facility which provides nursing care to five or more persons. "Nursing home" does not include a facility or that part of a facility which is a hospital, clinic, doctor's office, diagnostic or treatment center, or a residential facility licensed pursuant to Minnesota Statutes, Sections 245.78 to 245.821, 252.28, or 257.081 to 257.124."

Page 1, line 18, strike "4" and insert "6"

Page 1, line 18, strike "Patient" and insert "Resident"

Page 2, line 24, strike "In selecting a staff,"

Page 2, line 25, strike "make certain that it includes" and insert "include on his staff"

Page 2, line 26, strike "areas such as nursing" and insert "law, health"

Page 2, line 27, strike "and"

Page 2, line 28, after "homes" and before the period insert ", and any other relevant fields"

Page 3, line 1, after "upon" strike the comma and insert a semicolon

Page 3, line 6, strike ". The legislative audit commission may,"

Page 3, strike line 7

Page 3, line 8, strike "director"

Page 3, line 11, strike "federal agency" and insert "health care provider"

Page 3, line 23, strike "patients" and insert "residents"

Page 3, line 26, after "agency" and before the period insert ", a health care provider, or a nursing home"

Page 4, line 12, strike "being" and insert "under investigation"

Page 4, line 13, strike "questioned"

Page 4, line 28, strike the second comma and insert "and recommendations. The director shall transmit his conclusions and recommendations to the"

Page 4, strike lines 29 and 30

Page 4, line 32, strike "impliedly" and insert "by implication criticizes an"

Page 5, line 12, after "information" insert ", other than resident records,"

Page 5, after line 12, insert:

"Subd. 3. In performing his duties under this act, the director shall preserve the confidentiality of resident records. He may release a resident's records with the written approval of the resident who is the subject of the records.

Sec. 5. [HEALTH DEPARTMENT COMPLAINT TEAM.] It is the intent of the legislature that the complaint team of the state board of health continue its activities in investigating complaints related to nursing homes. The director shall consult with and coordinate his activities with the activities of the state board of health.

Sec. 6. [ADVISORY COMMITTEE.] The legislative audit commission shall appoint a fifteen member advisory committee to advise the director in the performance of his duties under this act."

Renumber the subsequent section

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1956: A bill for an act relating to nursing homes; providing for the licensing and inspection of nursing homes; providing for the licensing of nursing home administrators; reorganizing various laws relating to nursing homes and nursing home administrators; clarifying language and making necessary revisions; prescribing civil and criminal penalties; amending Minnesota Statutes 1974, Sections 144.053, Subdivision 3; 144.49, Subdivisions 6 and 7; 144.50; 144.51; 144.55; 144.572; 144.63, Subdivision 2; 144.652; 144.653, Subdivision 1; 144.654; 144.655;

144.656; 144.657; 144.68, Subdivisions 2 and 3; 145.61, Subdivision 4; 145.75; 145.862, Subdivision 4; 245.691, Subdivision 3; 256.12, Subdivision 19; 256B.02, Subdivision 2; 256B.30; 256D.18, Subdivision 2; 299F.39, Subdivision 1; 609.231; 626.555, Subdivisions 1, 2 and 7; and Minnesota Statutes, 1975 Supplement, Sections 144.53; 144.571; 145.72, Subdivision 2; 145.74; and 214.01, Subdivision 2; repealing Minnesota Statutes 1974, Sections 144.584; 144.951; 144.953; 144.954; 144.955; 144.9555; 144.956; 144.957; 144.958; 144.959; 144.96; 144.961; 144.962; 144.963; 144.964; and 144.965 and Minnesota Statutes, 1975 Supplement, Section 144.952.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

*"Section 1. [144A.01] [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 28 of this act, the terms defined in this section have the meanings given them.*

*Subd. 2. "Board of health" means the state board of health established by Minnesota Statutes, Section 144.01.*

*Subd. 3. "Board of examiners" means the board of examiners for nursing home administrators established by section 19 of this act.*

*Subd. 4. "Controlling person" means any business entity, officer or director whose responsibilities include the direction of the management or policies of a nursing home. "Controlling person" also means any person who, directly or indirectly, beneficially owns any interest in:*

*(a) Any corporation, partnership or other business association which is a controlling person;*

*(b) The land on which a nursing home is located;*

*(c) The structure in which a nursing home is located;*

*(d) Any mortgage, contract for deed, or other obligation secured in whole or part by the land or structure comprising a nursing home; or*

*(e) Any lease or sub-lease of the land, structure, or facilities comprising a nursing home.*

*"Controlling person" does not include:*

*(a) A bank, savings bank, trust company, building and loan association, savings and loan association, credit union, industrial loan and thrift company, investment banking firm, or insurance company unless the entity directly or through a subsidiary operates a nursing home;*

*(b) An individual member, director or employee of the legislature or an individual member, director or employee of the governing body of a political subdivision of the state which operates one or more nursing homes, unless the individual is also an*

officer or director of a nursing home, or owns any of the beneficial interests not excluded in this subdivision;

(c) A natural person who is a member of a tax-exempt organization under section 290.05, subdivision 1, clause (i), unless the individual is also an officer or director of a nursing home, or owns any of the beneficial interests not excluded in this subdivision; and

(d) A natural person who owns less than five percent of the outstanding common shares of a corporation:

(1) whose securities are exempt by virtue of section 80A.15, subdivision 1, clause (f); or

(2) whose transactions are exempt by virtue of section 80A.15, subdivision 2, clause (b).

Subd. 5. "Nursing home" means a facility or that part of a facility which provides nursing care to five or more persons. "Nursing home" does not include a facility or that part of a facility which is a hospital, clinic, doctor's office, diagnostic or treatment center, or a residential facility licensed pursuant to Minnesota Statutes, Sections 245.78 to 245.821, 252.28, or 257.081 to 257.124.

Subd. 6. "Nursing care" means health evaluation and treatment of patients and residents who are not in need of an acute care facility but who require nursing supervision on an inpatient basis. The board of health may by rule establish levels of nursing care.

Subd. 7. "Uncorrected violation" means a violation of a statute or rule or any other deficiency for which a notice of noncompliance has been issued and fine assessed pursuant to section 10, subdivision 6.

Subd. 8. "Managerial employee" means an employee of a nursing home whose duties include the direction of some or all of the management or policies of the nursing home.

Subd. 9. "Nursing home administrator" means a person who administers, manages, supervises, or is in general administrative charge of a nursing home, whether or not the individual has an ownership interest in the home, and whether or not his functions and duties are shared with one or more individuals, and who is licensed pursuant to section 21 of this act.

Sec. 2. [144A.02] [NURSING HOME LICENSES.] Subdivision 1. No facility shall be used as a nursing home to provide nursing care unless the facility has been licensed as a nursing home. The board of health may license a facility as a nursing home if the facility meets the criteria established by sections 2 to 10 of this act, and the rules promulgated thereunder. A license shall describe the facility to be licensed by address and by legal property description. The license shall specify the location and square footage of the floor space constituting the facility and shall incorporate by reference the plans and specifications of the facility, which plans and specifications shall be kept on file with the board of health. The license may also specify the level or levels of nursing care which the facility is licensed to provide and shall state any

*conditions or limitations imposed on the facility in accordance with the rules of the board of health.*

*Subd. 2. A controlling person of a nursing home in violation of this section is guilty of a misdemeanor. The provisions of this subdivision shall not apply to any controlling person who had no legal authority to affect or change decisions related to the operation of the nursing home.*

**Sec. 3. [144A.03] [APPLICATION FOR LICENSE.]** *Subdivision 1. The board of health by rule shall establish forms and procedures for the processing of nursing home license applications. An application for a nursing home license shall include the following information:*

*(a) The names and addresses of all controlling persons and managerial employees of the facility to be licensed;*

*(b) The address and legal property description of the facility;*

*(c) A copy of the architectural and engineering plans and specifications of the facility as prepared and certified by an architect or engineer registered to practice in this state; and*

*(d) Any other relevant information which the board of health by rule or otherwise may determine is necessary to properly evaluate an application for license.*

*A controlling person which is a corporation shall submit copies of its articles of incorporation and bylaws and any amendments thereto as they occur, together with the names and addresses of its officers and directors. A controlling person which is a foreign corporation shall furnish the board of health with a copy of its certificate of authority to do business in this state. An application on behalf of a controlling person which is a corporation, association or a governmental unit or instrumentality shall be signed by at least two officers or managing agents of that entity.*

*Subd. 2. Each application for a nursing home license or for renewal of a nursing home license shall specify one or more controlling persons or managerial employees as agents:*

*(a) Who shall be responsible for dealing with the board of health on all matters provided for in sections 1 to 17 of this act; and*

*(b) On whom personal service of all notices and orders shall be made, and who shall be authorized to accept service on behalf of all of the controlling persons of the facility, in proceedings under section 10, subdivisions 4, 5 and 7; section 11, subdivision 3; and section 15 of this act. Notwithstanding any law to the contrary, personal service on the designated person or persons named in an application shall be deemed to be service on all of the controlling persons or managerial employees of the facility, and it shall not be a defense to any action arising under section 10, subdivisions 4 and 5; section 11, subdivision 3; and section 15 of this act, that personal service was not made on each controlling person or managerial employee of the facility. The designation of one or more con-*

*trolling persons or managerial employees pursuant to this subdivision shall not affect the legal responsibility of any other controlling person or managerial employee under sections 1 to 17 of this act.*

**Sec. 4. [144A.04] [QUALIFICATIONS FOR LICENSE.]** *Subdivision 1. No nursing home license shall be issued to a facility unless the board of health determines that the facility complies with the requirements of this section.*

*Subd. 2. The controlling persons of the facility must comply with the application requirements specified by section 3 of this act and the rules of the board of health.*

*Subd. 3. The facility must meet the minimum health, sanitation, safety and comfort standards prescribed by the rules of the board of health with respect to the construction, equipment, maintenance and operation of a nursing home. The board of health may temporarily waive compliance with one or more of the standards if it determines that:*

*(a) Temporary noncompliance with the standard will not create an imminent risk of harm to a nursing home resident; and*

*(b) A controlling person on behalf of all other controlling persons:*

*(1) Has entered into a contract to obtain the materials or labor necessary to meet the standard set by the board of health, but the supplier or other contractor has failed to perform the terms of the contract and the inability of the nursing home to meet the standard is due solely to that failure; or*

*(2) Is otherwise making a diligent good faith effort to meet the standard.*

*Subd. 4. The controlling persons of a nursing home may not include any person who was a controlling person of another nursing home during any period of time in the previous two year period during which time of control that other nursing home incurred the following number of uncorrected violations, for which violations a fine was assessed and allowed to be recovered:*

*(a) Two or more uncorrected violations which created an imminent risk of harm to a nursing home resident; or*

*(b) Ten or more uncorrected violations of any nature. The provisions of this subdivision shall not apply to any controlling person who had no legal authority to affect or change decisions related to the operation of the nursing home which incurred the uncorrected violations.*

*Subd. 6. Except as otherwise provided by this subdivision, a nursing home must have a full time licensed nursing home administrator serving the facility. In any nursing home of less than 25 beds, the director of nursing services may also serve as the licensed nursing home administrator. Two nursing homes having a total of 100 beds or less and located within 50 miles of each other may share the services of a licensed administrator if the administrator divides his full time work week between the two facilities in pro-*

portion to the number of beds in each facility. Every nursing home shall have a person-in-charge on the premises at all times in the absence of the licensed administrator. The name of the person in charge must be posted in a conspicuous place in the facility. The board of health shall by rule promulgate minimum education and experience requirements for persons-in-charge, and may promulgate rules specifying the times of day during which a licensed administrator must be on the nursing home's premises. A nursing home which is located in a facility licensed as a hospital pursuant to Minnesota Statutes, Sections 144.50 to 144.56 may employ as its administrator the registered administrator of the hospital if the individual meets minimum education and long term care experience criteria set by rule of the board of health.

Subd 7. A nursing home may not employ as a managerial employee or as its licensed administrator any person who was a managerial employee or the licensed administrator of another nursing home during any period of time in the previous two year period during which time of employment that other nursing home incurred the following number of uncorrected violations, which violations were in the jurisdiction and control of the managerial employee or the administrator and for which violations a fine was assessed and allowed to be recovered:

(a) Two or more uncorrected violations which created an imminent risk of harm to a nursing home resident; or

(b) Ten or more uncorrected violations of any nature.

Sec. 5. [144A.05] [LICENSE RENEWAL.] Unless the license expires in accordance with section 6 of this act or is suspended or revoked in accordance with section 11 of this act, a nursing home license shall remain effective for a period of one year from the date of its issuance. The board of health by rule shall establish forms and procedures for the processing of license renewals. The board of health shall approve a license renewal application if the facility continues to satisfy the requirements, standards and conditions prescribed by sections 1 to 17 of this act and the rules promulgated thereunder. Except as provided in section 8 of this act, a facility shall not be required to submit with each application for a license renewal additional copies of the architectural and engineering plans and specifications of the facility. Before approving a license renewal, the board of health shall determine that the facility's most recent consolidated balance sheet and its most recent statement of revenues and expenses as audited by a certified public accountant licensed by this state or by a public accountant as defined in section 412.222 have been received by the department of public welfare. Neither statement may be dated more than three months prior to the date of expiration of the license.

Sec. 6. [144A.06] [TRANSFER OF INTERESTS.] Subdivision 1. [NOTICE; EXPIRATION OF LICENSE.] Any controlling person who makes any transfer of a beneficial interest in a nursing home shall notify the board of health of the transfer within 14 days of its occurrence. The notification shall identify by name and address the transferor and transferee and shall specify the nature and amount of the transferred interest. If the board of health deter-

*mines that the transferred beneficial interest exceeds ten percent of the total beneficial interest in the nursing home, it may, and if it determines that the transferred beneficial interest exceeds 50 percent of the total beneficial interest in the facility, the structure in which the facility is located, or the land upon which the structure is located, it shall, require that the license of the nursing home expire 90 days after the date of transfer. The board of health shall notify the nursing home by certified mail of the expiration of the license at least 60 days prior to the date of expiration.*

*Subd. 2. [RELICENSURE.] The board of health by rule shall prescribe procedures for relicensure under this section. The board of health shall relicensure a nursing home if the facility satisfies the requirements for license renewal established by section 5 of this act. A facility shall not be relicensed by the board if at the time of transfer there are any uncorrected violations. The board of health may temporarily waive correction of one or more violations if it determines that:*

*(a) Temporary noncorrection of the violation will not create an imminent risk of harm to a nursing home resident; and*

*(b) A controlling person on behalf of all other controlling persons:*

*(1) Has entered into a contract to obtain the materials or labor necessary to correct the violation, but the supplier or other contractor has failed to perform the terms of the contract and the inability of the nursing home to correct the violation is due solely to that failure; or*

*(2) Is otherwise making a diligent good faith effort to correct the violation.*

*Sec. 7. [144A.07] [FEES.] Each application for a license to operate a nursing home, or for a renewal of license, except an application by the Minnesota veterans home or the commissioner of public welfare for the licensing of state institutions, shall be accompanied by a fee to be prescribed by the board of health pursuant to Minnesota Statutes, Section 144.122. No fee shall be refunded.*

*Sec. 8. [144A.08] [PHYSICAL STANDARDS.] Subdivision 1. The board of health by rule shall establish minimum standards for the construction, maintenance, equipping and operation of nursing homes. The rules shall to the extent possible assure the health, treatment, comfort, safety and well being of nursing home residents.*

*Subd. 2. [REPORT.] The controlling persons of a nursing home shall, in accordance with rules established by the board of health, within 14 days of the occurrence, notify the board of health of any change in the physical structure of a nursing home, which change would affect compliance with the rules of the board of health or with sections 1 to 17 of this act.*

*Subd. 3. [PENALTY.] Any controlling person who establishes, conducts, manages or operates a nursing home in violation of the*

*rules established under this section is guilty of a misdemeanor. The provisions of this subdivision shall not apply to any controlling person who had no legal authority to affect or change decisions as to the operation of the nursing home which incurred the uncorrected violations.*

*Sec. 9. [144A.09] [FACILITIES EXCLUDED.] No rule established under sections 1 to 17 of this act other than a rule relating to sanitation and safety of premises, to cleanliness of operation or to physical equipment, shall apply to a nursing home conducted in accordance with the teachings of the body known as the Church of Christ Scientist.*

*Sec. 10. [144A.10] [INSPECTIONS, SANCTIONS.] Subdivision 1. [ENFORCEMENT AUTHORITY.] The board of health is the exclusive state agency charged with the responsibility and duty of inspecting all facilities required to be licensed under section 2 of this act. The board of health shall enforce the rules established pursuant to sections 1 to 17 of this act, subject only to the authority of the department of public safety respecting the enforcement of fire and safety standards in nursing homes and the responsibility of the commissioner of public welfare under Minnesota Statutes, Sections 243.78 to 245.821; 252.28; or 257.081 to 257.124.*

*Subd. 2. [INSPECTIONS.] The board of health shall annually inspect each nursing home to assure compliance with sections 1 to 17 of this act and the rules promulgated thereunder. The annual inspection shall be a full inspection of the nursing home. If upon a reinspection provided for in subdivision 5 of this section the representative of the board of health finds one or more uncorrected violations, a second inspection of the facility shall be conducted during the remainder of its license year. The second inspection need not be a full inspection. No prior notice shall be given of an inspection conducted pursuant to this subdivision. Any employee of the board of health who willfully gives or causes to be given any advance notice of an inspection required or authorized by this subdivision shall be subject to suspension or dismissal in accordance with Minnesota Statutes, Chapter 43. An inspection required by a federal rule or statute may be conducted in conjunction with or subsequent to any other inspection. Any inspection required by this subdivision shall be in addition to the re-inspections required by subdivision 5. To the extent feasible, the board of health shall coordinate its inspections of nursing homes with inspection by other state and local agencies. Nothing in this subdivision shall be construed to prohibit the board of health from making more than one unannounced inspection of any nursing home during its license year.*

*Subd. 3. [REPORTS; POSTING.] After each inspection or reinspection required or authorized by this section, the board of health shall, by certified mail, send copies of any correction order or notice of noncompliance to the nursing home. A copy of each correction order and notice of noncompliance, and copies of any documentation supplied to the board of health or the commissioner of public welfare under sections 3 or 5 of this act shall be kept on*

file at the nursing home and shall be made available for viewing by any person upon request. Except as otherwise provided by this subdivision, a copy of each correction order and notice of noncompliance received by the nursing home after its most recent inspection or reinspection shall be posted in a conspicuous and readily accessible place in the nursing home. Confidential information protected by Minnesota Statutes, Section 15.1641, shall not be made available or posted as provided in this subdivision unless it may be made available or posted in a manner authorized by Minnesota Statutes, Sections 15.1641 to 15.165.

*Subd. 4. [CORRECTION ORDERS.] Whenever a duly authorized representative of the board of health finds upon inspection of a nursing home, that the facility or a controlling person or an employee of the facility is not in compliance with sections 1 to 17 of this act or the rules promulgated thereunder, a correction order shall be issued to the facility. The correction order shall state the deficiency, cite the specific rule or statute violated, and specify the time allowed for correction. The board of health by rule shall establish a schedule of allowable time periods for correction of nursing home deficiencies.*

*Subd. 5. [REINSPECTIONS.] A nursing home issued a correction order under this section shall be reinspected at the end of the period allowed for correction. If upon reinspection the representative of the board of health determines that the facility has not corrected a violation identified in the correction order, a notice of noncompliance with the correction order shall be mailed by certified mail to the nursing home. The notice shall specify the violations not corrected and the fines assessed in accordance with subdivision 6.*

*Subd. 6. [FINES.] A nursing home which is issued a notice of noncompliance with a correction order shall be assessed a civil fine in accordance with a schedule of fines promulgated by rule of the board of health. The fine shall be assessed for each day the facility remains in noncompliance and until a notice of correction is received by the board of health in accordance with subdivision 7. No fine for a specific violation may exceed \$250 per day of noncompliance.*

*Subd. 7. [ACCUMULATION OF FINES.] A nursing home shall promptly notify the board of health in writing when a violation noted in a notice of noncompliance is corrected. Upon receipt of written notification by the board of health, the daily fine assessed for the violation shall stop accruing. The facility shall be inspected within three working days after receipt of the notification. If upon inspection the representative of the board of health determines that a violation has not been corrected as indicated by the notification of compliance the daily fine assessment shall resume and the amount of fines which otherwise would have accrued during the period prior to resumption shall be added to the total assessment due from the nursing home. The board of health shall notify the nursing home of the resumption by certified mail. The nursing home may challenge the resumption as a contested case in accordance with the provisions of Minnesota Statutes, Chapter 15.*

*Recovery of the resumed fine shall be stayed if a controlling person or his legal representative on behalf of the nursing home makes a written request for a hearing on the resumption within 15 days of the resumption. The cost of a reinspection conducted pursuant to this subdivision shall be added to the total assessment due from the nursing home.*

**Subd. 8. [RECOVERY OF FINES; HEARING.]** *Fines assessed under this section shall be payable 15 days after receipt of the notice of noncompliance and at 15 day intervals thereafter, as the fines accrue. Recovery of an assessed fine shall be stayed if a controlling person or his legal representative on behalf of the nursing home makes a written request for a hearing on the notice of noncompliance within 15 days after the home's receipt of the notice. A hearing under this subdivision shall be conducted as a contested case in accordance with Minnesota Statutes, Chapter 15. If a nursing home, after notice and opportunity for hearing on the notice of noncompliance, or on the resumption of the fine, does not pay a properly assessed fine in accordance with this subdivision, the board of health shall notify the commissioner of public welfare who shall deduct the amount from reimbursement moneys due or to be due the facility under Minnesota Statutes, Chapter 256B. The board of health may consolidate the hearings provided for in subdivisions 7 and 8 of this section in cases in which a facility has requested hearings under both provisions.*

**Subd. 9. [NONLIMITING.]** *Nothing in this section shall be construed to limit the powers granted to the board of health by section 11 of this act.*

**Sec. 11. [144A.11] [LICENSE SUSPENSION OR REVOCATION; REINSTATEMENT.]** **Subdivision 1. [OPTIONAL PROCEEDINGS.]** *The board of health may institute proceedings leading to a suspension or revocation of a nursing home license, or it may refuse to grant or renew the license of a nursing home if any action by a controlling person or employee of the nursing home:*

*(a) Violates any of the provisions of sections 1 to 8, 12 or 16 of this act, or the rules promulgated thereunder;*

*(b) Permits, aids, or abets the commission of any illegal act in the nursing home;*

*(c) Performs any act contrary to the welfare of a patient or resident of the nursing home; or*

*(d) Obtains, or attempts to obtain, a license by fraudulent means or misrepresentation.*

**Subd. 2. [MANDATORY PROCEEDINGS.]** *The board of health shall initiate proceedings leading to the suspension or revocation of a nursing home license or shall refuse to renew a license if within the preceding two years the nursing home has incurred the following number of uncorrected violations, for which violations a fine was assessed and allowed to be recovered:*

*(a) Two or more uncorrected violations which created an imminent risk of harm to a nursing home resident; or*

(b) *Ten or more uncorrected violations of any nature.*

*Subd. 3. [HEARINGS.] No nursing home license may be suspended or revoked without a hearing held as a contested case in accordance with Minnesota Statutes, Chapter 15. If the controlling person designated under section 3, subdivision 2 of this act, as an agent to accept service on behalf of all of the controlling persons of the nursing home has been notified by the board of health that the facility will not receive an initial license or that a license renewal has been denied, the controlling person or his legal representative on behalf of the nursing home may request and receive a hearing on the denial. This hearing shall be held as a contested case in accordance with Minnesota Statutes, Chapter 15.*

*Subd. 4. [RELICENSING.] If a nursing home license is revoked a new application for license may be considered by the board of health when the conditions upon which revocation was based have been corrected and satisfactory evidence of this fact has been furnished to the board of health. A new license may be granted after an inspection has been made and the facility has been found to comply with all provisions of sections 1 to 17 of this act and the rules promulgated thereunder.*

*Sec. 12. [144A.12] [ADDITIONAL REMEDY; DISCOVERY.] Subdivision 1. [INJUNCTIVE RELIEF.] In addition to any other remedy provided by law, the board of health may in its own name bring an action in the district court in Ramsey county or in the district in which a nursing home is located to enjoin a controlling person or an employee of the nursing home from illegally engaging in activities regulated by sections 1 to 17 of this act. A temporary restraining order may be granted by the court in the proceeding if continued activity by the controlling person or employee would create an imminent risk of harm to a resident of the facility.*

*Subd. 2. [DISCOVERY; SUBPOENAS.] In all matters pending before it under sections 1 to 17 of this act, the board of health shall have the power to issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books, records, documents and other evidentiary material. Any person failing or refusing to appear or testify regarding any matter about which he may be lawfully questioned or to produce any papers, books, records, documents or evidentiary materials in the matter to be heard, after having been required by order of the board of health or by a subpoena of the board of health to do so may, upon application by the board of health to the district court in any district, be ordered by the court to comply therewith. The commissioner of health acting on behalf of the board of health may issue subpoenas and may administer oaths to witnesses, or take their affirmation. Depositions may be taken within or without the state in the manner provided by law for the taking of depositions in civil actions. A subpoena or other process or paper may be served upon any named person anywhere within the state by any officer authorized to serve subpoenas in civil actions, with the same fees and mileage and in the same manner as prescribed by law for process issued out of the district court of this state. Fees and mileage and other costs of persons subpoenaed by the board of health shall be paid in the same manner as for proceedings in district court.*

**Sec. 13. [144A.13] [COMPLAINTS; DISCRIMINATION.]** *Subdivision 1. [PROCESSING.] All matters relating to the operation of a nursing home which are the subject of a written complaint from a resident and which are received by a controlling person or employee of the nursing home shall be delivered to the facility's administrator for evaluation and action. Failure of the administrator within seven days of their receipt to resolve the complaint within a reasonable time after he receives it, or alternatively, the failure of the administrator to make a reply within seven days after he receives it to the complaining resident stating that the complaint did not constitute a valid objection of the nursing home's operations, shall be a violation of section 10 of this act. If a complaint directly involves the activities of a nursing home administrator, the complaint shall be resolved in accordance with this section by a person, other than the administrator, duly authorized by the nursing home to investigate the complaint and implement any necessary corrective measures.*

*Subd. 2. [RESIDENT RIGHTS.] The administrator of a nursing home shall inform each resident in writing at the time of admission of his right to complain to the administrator about facility accommodations and services. A notice of the right to complain shall be posted in the nursing home. The administrator shall also inform each resident of his right to complain to the board of health. No controlling person or employee of a nursing home shall retaliate in any way against a complaining nursing home resident and no nursing home resident may be denied any right available to him under Minnesota Statutes, Chapter 566.*

**Sec. 14. [144A.14] [VOLUNTARY RECEIVERSHIP.]** *A majority in interest of the controlling persons of a nursing home may at any time request the board of health to assume the operation of the nursing home through appointment of a receiver. Upon receiving a request for a receiver, the board of health may, if it deems receivership desirable, enter into an agreement with a majority in interest of the controlling persons, providing for the appointment of a receiver to take charge of the facility under conditions deemed appropriate by both parties. The agreement shall specify all terms and conditions of the receivership and shall preserve all rights of the facility residents as granted by law. A receivership initiated in accordance with this section shall terminate at the time specified by the parties or at the time when either party notifies the other in writing that he wishes to terminate the receivership agreement.*

**Sec. 15. [144A.15] [INVOLUNTARY RECEIVERSHIP.]** *Subdivision 1. [PETITION; NOTICE.] In addition to any other remedy provided by law, the board of health may petition the district court in Ramsey county or in the district in which a nursing home is located for an order directing the controlling persons of the nursing home to show cause why the board of health or its designee should not be appointed receiver to operate the facility. The petition to the district court shall contain proof by affidavit that the board of health has commenced license suspension or revocation proceedings, suspended or revoked a license, or decided not to renew the nursing home license. The order to show cause shall be returnable not less than five days after service is completed and shall*

provide for personal service of a copy to the nursing home administrator and to the persons designated as agents by the controlling persons to accept service on their behalf pursuant to section 3, subdivision 2 of this act.

*Subd. 2. [APPOINTMENT OF RECEIVER, RENTAL.] If, after hearing, the court finds that involuntary receivership is necessary as a means of protecting the health, safety or welfare of the residents of a nursing home, the court shall appoint the board of health, or any other person designated by the board of health, as a receiver to take charge of the facility. The court shall determine a fair monthly rental for the facility, taking into account all relevant factors including the condition of the facility. This rental fee shall be paid by the receiver to the appropriate controlling persons for each month that the receivership remains in effect. Notwithstanding any other law to the contrary, no payment made to a controlling person by any state agency during a period of involuntary receivership shall include any allowance for profit or be based on any formula which includes an allowance for profit.*

*Subd. 3. [POWERS AND DUTIES OF RECEIVER.] A nursing home receiver appointed pursuant to this section shall with all reasonable speed, but in any case, within 18 months after the receivership order, provide for the orderly transfer of all the nursing home's residents to other facilities or make other provisions for their continued safety and health care. The receiver may correct or eliminate those deficiencies in the facility which seriously endanger the life, health or safety of the residents unless the correction or elimination of deficiencies involves major alterations in the physical structure of the nursing home. He shall, during this period, operate the nursing home in a manner designed to guarantee the safety and adequate health care of the residents. The receiver shall take no action which impairs the legal rights of a resident of the nursing home. He shall have power to make contracts and incur lawful expenses. He shall collect incoming payments from all sources and apply them to the cost incurred in the performance of his functions as receiver. No security interest in any real or personal property comprising the nursing home or contained within it, or in any fixture of the facility, shall be impaired or diminished in priority by the receiver. The receiver shall pay all valid obligations of the nursing home and shall deduct these expenses, if appropriate, from rental payments owed to any controlling person by virtue of the receivership.*

*Subd. 4. [RECEIVER'S FEE; LIABILITY; BOARD ASSISTANCE.] A nursing home receiver appointed pursuant to this section shall be entitled to a reasonable receiver's fee as determined by the court. The receiver shall be liable only in his official capacity for injury to person and property by reason of the conditions of the nursing home. He shall not be personally liable, except for his gross negligence and intentional acts. The board of health shall assist the receiver in carrying out his duties.*

*Subd. 5. [TERMINATION.] An involuntary receivership imposed pursuant to this section shall terminate 18 months after the date on which it was ordered or at any other time designated by the court or upon the occurrence of any of the following events:*

(a) A determination by the board of health that the nursing home's license should be renewed or should not be suspended or revoked;

(b) The granting of a new license to the nursing home; or

(c) A determination by the board of health that all of the residents of the nursing home have been provided alternative health care, either in another facility or otherwise.

**Sec. 16. [144A.166] [CESSATION OF NURSING HOME OPERATIONS.]** *If a nursing home plans to cease operations or to curtail operations to the extent that relocation of residents is necessary, the controlling persons of the facility shall notify the board of health at least 90 days prior to the scheduled cessation or curtailment. The board of health shall cooperate with and advise the controlling persons of the nursing home in the resettlement of residents. Failure to comply with this section shall be a violation of section 10 of this act.*

**Sec. 17. [144A.17] [ADVISORY COUNCIL.]** *A nursing home advisory council consisting of 15 members shall be appointed by the board of health to advise and make recommendations on proposed rules and other matters relating to nursing homes. The members of the council shall be selected from both urban and rural areas of the state, and shall include the following:*

(a) *Six professionals engaged in providing services to residents of nursing homes, including a currently registered nurse, pharmacist, dietitian, medical doctor, dentist, and social worker;*

(b) *A licensed nursing home administrator;*

(c) *An architect, engineer or general contractor familiar with nursing home construction;*

(d) *One controlling person of a proprietary nursing home;*

(e) *Two controlling persons each associated with a different non-profit nursing home;*

(f) *Two nursing home residents not residing in the same home; and*

(g) *Two public members as defined in Minnesota Statutes, Section 214.02.*

*The council shall expire and the terms, compensation and removal of members shall be as provided in Minnesota Statutes, Section 15.059.*

**Sec. 18. [144A.18] [LICENSE REQUIREMENT FOR ADMINISTRATORS.]** *No person shall act as a nursing home administrator or purport to be a nursing home administrator unless he is licensed by the board of examiners for nursing home administrators. A violation of this section is a misdemeanor.*

**Sec. 19. [144A.19] [BOARD OF EXAMINERS FOR NURSING HOME ADMINISTRATORS.]** *Subdivision 1. There is hereby created the board of examiners for nursing home administrators which shall consist of the following members:*

(a) *A designee of the board of health who shall be a nonvoting member;*

(b) *The commissioner of public welfare, or his designee who shall be a nonvoting member; and*

(c) *The following members appointed by the governor:*

(1) *Two members actively engaged in the management, operation, or ownership of proprietary nursing homes;*

(2) *Two members actively engaged in the management or operation of nonprofit nursing homes;*

(3) *One member actively engaged in the practice of medicine;*

(4) *One member actively engaged in the practice of professional nursing; and*

(5) *Three public members as defined in Minnesota Statutes, Section 214.02.*

*Subd. 2. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements for the board of examiners shall be as provided in Minnesota Statutes, Sections 214.07 to 214.09.*

**Sec. 20. [144A.20] [ADMINISTRATOR QUALIFICATIONS.]**  
*Subdivision 1. The board of examiners may issue licenses to qualified persons as nursing home administrators, and shall establish qualification criteria for nursing home administrators. No license shall be issued to a person as a nursing home administrator unless he:*

(a) *Is at least 18 years of age and otherwise suitably qualified;*

(b) *Has satisfactorily met standards set by the board of examiners, which standards shall be designed to assure that nursing home administrators will be individuals who, by training or experience are qualified to serve as nursing home administrators; and*

(c) *Has passed an examination approved by the board and designed to test for competence in the subject matters referred to in clause (b), or has been approved by the board of examiners through the development and application of other appropriate techniques.*

*Subd. 2. Notwithstanding any law to the contrary, no person desiring to be licensed to administer a nursing home operated exclusively in accordance with the teachings of the body known as the Church of Christ, Scientist, shall be required to demonstrate proficiency in any medical technique or meet any medical educational qualification or medical standard which is not in accord with the type of remedial care and treatment provided in a nursing home operated exclusively in accordance with the teachings of that body.*

**Sec. 21. [144A.21] [ADMINISTRATOR LICENSES.]**  
*Subdivision 1. A nursing home administrator's license shall not be transferable and shall be valid until June 30 of the year following its issuance or until it is earlier surrendered, suspended or revoked.*

*Subd. 2. The board of examiners by rule shall establish forms and procedures for the processing of license renewals. A nursing home administrator's license may be renewed only in accordance with the standards adopted by the board of examiners pursuant to section 24 of this act.*

*Subd. 3. Each person licensed as a nursing home administrator shall be required to pay initial and renewal license fees in amounts to be fixed by rule of the board of examiners. In addition, each person who takes an examination pursuant to section 20 of this act, shall pay a fee in an amount fixed by rule of the board. Except as otherwise provided by this subdivision, the board of examiners shall set fees at a level sufficient to generate receipts approximately equal to anticipated expenditures of the board for the following year. Examination fees shall be set at a level sufficient to generate receipts approximately equal to the costs of administering the examinations. All fees received by the board of examiners shall be credited to the general fund.*

*Subd. 4. Denial of issuance or renewal, or suspension or revocation of an administrator's license shall be subject to review upon timely written request for review in accordance with Minnesota Statutes, Chapter 15.*

*Sec. 22. [144A.22] [ORGANIZATION OF BOARD.] The board of examiners shall elect from its membership a chairman, vice-chairman and secretary-treasurer, and shall adopt rules to govern its proceedings. Except as otherwise provided by law the board of examiners shall employ and fix the compensation and duties of an executive secretary and other necessary personnel to assist it in the performance of its duties. The executive secretary shall not be a member of the board of examiners.*

*Sec. 23. [144A.23] [EXCLUSIVE JURISDICTION OF BOARD.] Except as provided in section 4, subdivision 6 of this act, the board of examiners shall have exclusive authority to determine the qualifications, skill and fitness required of any person to serve as an administrator of a nursing home. The holder of a license shall be deemed fully qualified to serve as the administrator of a nursing home.*

*Sec. 24. [144A.24] [DUTIES OF THE BOARD.] The board of examiners shall:*

*(a) Develop and enforce standards for nursing home administrator licensing, which standards shall be designed to assure that nursing home administrators will be individuals of good character who, by training or experience, are suitably qualified to serve as nursing home administrators;*

*(b) Develop appropriate techniques, including examinations and investigations, for determining whether applicants and licensees meet the board's standards;*

*(c) Issue licenses to those individuals who are found to meet the board's standards;*

*(d) Establish and implement procedures designed to assure that*

*individuals licensed as nursing home administrators will comply with the board's standards;*

*(e) Receive, investigate, and take appropriate action consistent with section 25 of this act, to revoke or suspend the license of a nursing home administrator who fails to comply with sections 18 to 28 of this act or the board's standards;*

*(f) Conduct a continuing study and investigation of nursing homes, and the administrators of nursing homes within the state, with a view to the improvement of the standards imposed for the licensing of administrators and improvement of the procedures and methods used for enforcement of the board's standards; and*

*(g) Approve or conduct courses of instruction or training designed to prepare individuals for licensing in accordance with the board's standards. Courses designed to meet license renewal requirements shall be designed solely to improve professional skills and shall not include classroom attendance requirements exceeding 50 hours per year. The board may approve courses conducted within or without this state.*

**Sec. 25. [144A.25] [COMPLAINTS.] Subdivision 1. [RECEIPT OF COMPLAINT.]** *The executive secretary of the board of examiners, a board member or any other person who performs services for the board, who receives a complaint or other communication, whether oral or written, which complaint or communication alleges or implies a violation of a statute or rule which the board is empowered to enforce, shall promptly forward the substance of the communication to the designee of the attorney general responsible for providing legal services to the board. Before proceeding further with the communication, the designee of the attorney general may require the complaining party to state his complaint in writing on a form prepared by the attorney general. Complaints which relate to matters within the jurisdiction of another governmental agency shall be forwarded to that agency by the executive secretary. An officer of that agency shall advise the executive secretary of the disposition of that complaint. A complaint received by another agency which relates to a statute or rule which the board is empowered to enforce shall be forwarded to the executive secretary of the board to be processed in accordance with this section.*

**Subd. 2. [INVESTIGATION AND HEARING.]** *The designee of the attorney general providing legal services to the board of examiners shall evaluate the communications forwarded to him by the board or its members or staff. If the communication alleges a violation of statute or rule which the board is to enforce, the designee is empowered to investigate the facts alleged in the communication. In the process of evaluation and investigation, he shall consult with or seek the assistance of the executive secretary or a member of the board who has been designated by the board to assist the designee. He may also consult with or seek the assistance of any other qualified persons who are not members of the board who the designee believes will materially aid in the process of evaluation or investigation. The executive secretary or the consulted board member may attempt to correct improper activities and re-*

dress grievances through education, conference, conciliation and persuasion, and in these attempts they may be assisted by the designee of the attorney general. If the attempts at correction or redress do not produce satisfactory results in the opinion of the executive secretary or the consulted board member, or if the designee providing legal services to the board, the executive secretary or the consulted board member believes that the communication and the investigation suggest illegal or unauthorized activities warranting board action, they shall inform the executive secretary of the board who shall schedule a disciplinary hearing in accordance with Minnesota Statutes, Chapter 15. Before scheduling a disciplinary hearing, the executive secretary must have received a verified written complaint from the complaining party. A board member who was consulted during the course of an investigation may participate at the hearing but may not vote on any matter pertaining to the case. The executive secretary of the board shall promptly inform the complaining party of the final disposition of the complaint.

Subd. 3. [DISCOVERY; SUBPOENAS.] In all matters pending before it, the board of examiners may issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books, records, documents and other evidentiary material. Any person failing or refusing to appear or testify regarding any matter about which he may be lawfully questioned or to produce any papers, books, records, documents or other evidentiary materials in the matter to be heard, after having been required by order of the board or by a subpoena of the board to do so may, upon application to the district court in any district, be ordered to comply therewith. The chairman of the board acting on behalf of the board may issue subpoenas and any board member may administer oaths to witnesses, or take their affirmation. Depositions may be taken within or without the state in the manner provided by law for the taking of depositions in civil actions. A subpoena or other process or paper may be served upon any person named therein, anywhere within the state by any officer authorized to serve subpoenas or other process or paper in civil actions, with the same fees and mileage and in the same manner as prescribed by law for service of process issued out of the district court of this state. Fees and mileage and other costs shall be paid as the board directs.

Subd. 4. [ADDITIONAL REMEDY.] In addition to any other remedy provided by law, the board of examiners may in its own name bring an action in district court for injunctive relief to restrain any unauthorized practice or violation or threatened violation of any statute or rule which the board is empowered to regulate or enforce. A temporary restraining order may be granted in a proceeding if continued activity by the person would create an imminent risk of harm to others. Injunctive relief granted pursuant to this section shall not relieve a person enjoined from criminal prosecution by any competent authority or from disciplinary action by the board in respect to the person's license or application for license or renewal.

Sec. 26. [144A.251] [MANDATORY PROCEEDINGS.] In

*addition to its discretionary authority to initiate proceedings under sections 24 and 25, the board of examiners shall initiate proceedings leading to the suspension or revocation of a nursing home administrator license or shall refuse to renew a license if within the preceding two year period the administrator was employed at a nursing home which during the period of his employment incurred the following number of uncorrected violations, which violations were in the jurisdiction and control of the administrator and for which a fine was assessed and allowed to be recovered:*

*(a) Two or more uncorrected violations which created an imminent risk of harm to a nursing home resident; or*

*(b) Ten or more uncorrected violations of any nature.*

**Sec. 27. [144A.26] [RECIPROCITY WITH OTHER STATES.]** *The board of examiners may issue a nursing home administrator's license, without examination, to any person who holds a current license as a nursing home administrator from another jurisdiction if the board finds that the standards for licensure in the other jurisdiction are at least the substantial equivalent of those prevailing in this state and that the applicant is otherwise qualified.*

**Sec. 28. [144A.27] [EMERGENCY PERFORMANCE.]** *If a licensed nursing home administrator is removed from his position by death or other unexpected cause, the controlling persons of the nursing home suffering the removal may designate an acting nursing home administrator who may serve without a license for no more than 90 days, unless an extension is granted by the board of examiners.*

**Sec. 29. [144A.28] [SEVERABILITY.]** *Any part of sections 18 to 28 of this act which is in conflict with any act of congress of the United States or any rule of a federal agency, so as to deprive nursing homes of this state of federal funds, shall be deemed void without affecting the remaining provisions of sections 18 to 28 of this act.*

**Sec. 30. [CONTINUITY OF RULES; AUTHORITY.]** *Subdivision 1. The provisions of any rule affecting nursing homes or nursing home administrators heretofore promulgated in accordance with Minnesota Statutes, Chapter 144, or hereafter promulgated in accordance with subdivision 2, shall remain effective with respect to nursing homes and nursing home administrators until repealed, modified or superseded by a rule promulgated in accordance with this act.*

*Subd. 2. Any investigation, disciplinary hearing, court action or other proceeding affecting a nursing home or nursing home administrator heretofore initiated by the board of health or board of examiners in accordance with Minnesota Statutes, Chapter 144, shall be conducted and completed in accordance with that chapter as it existed prior to the effective date of this section. Proceedings heretofore initiated by the board of health or board of examiners leading to the establishment of a rule affecting nursing homes or nursing home administrators may be continued and the rule may be promulgated in accordance with heretofore existing law, notwithstanding any other provision of this act.*

*Subd. 3. As soon as possible after the effective date of this section, the board of health shall by rule establish a schedule of fines in accordance with section 10, subdivision 5 of this act.*

Sec. 31. Minnesota Statutes 1974, Section 144.053, Subdivision 3, is amended to read:

Subd. 3. The furnishing of such information to the state board of health or its authorized representative, or to any other co-operating agency in such research project, shall not subject any person, hospital, sanitarium, ~~rest home~~, nursing home or other person or agency furnishing such information, to any action for damages or other relief.

Sec. 32. Minnesota Statutes 1974, Section 144.49, Subdivision 6, is amended to read:

Subd. 6. Any person, partnership, association, or corporation establishing, conducting, managing, or operating any hospital, sanatorium, ~~rest home~~, ~~nursing home~~, or other institution in accordance with the provisions of sections 144.50 to 144.56, without first obtaining a licensing therefor is guilty of a misdemeanor.

Sec. 33. Minnesota Statutes 1974, Section 144.49, Subdivision 7, is amended to read:

Subd. 7. Any person, partnership, association, or corporation ~~establishing, conducting, managing, or operating which establishes, conducts, manages or operates~~ any hospital, sanatorium, ~~rest home, nursing home, or other institution in accordance with the provisions of~~ *required to be licensed under* sections 144.50 to 144.56 ~~violating, in violation of any provision of sections 144.50 to 144.56 or any regulation established thereunder,~~ is guilty of a misdemeanor.

Sec. 34. Minnesota Statutes 1974, Section 144.50, is amended to read:

144.50 [HOSPITALS, LICENSES; DEFINITIONS.] No person, partnership, association, or corporation, nor any state, county, or local governmental units, nor any division, department, board, or agency thereof, shall establish, *operate*, conduct, or maintain in the state any hospital, sanatorium, ~~rest home, nursing home, boarding home,~~ or other institution for the hospitalization or care of human beings without first obtaining a license therefor in the manner ~~hereinafter~~ provided by law.

Hospital, sanatorium, ~~rest home, nursing home, boarding home,~~ and other related institutions or other institution for the hospitalization or care of human beings, within the meaning of sections 144.50 to 144.56 shall mean any institution, place, building, or agency, other than a diagnostic or treatment center, a clinic, or a physician's office, in which any accommodation is maintained, furnished, or offered for the hospitalization of the sick or injured or for ~~maternity care of more than one woman within a period of six months or for care of five or more aged or infirm persons requiring or receiving chronic or convalescent care for the~~ institutional care of human beings. Nothing in sections 144.50 to

144.56 shall apply to hotels or other similar places that furnish only board and room, or either, to their guests.

"Hospitalization" means the reception and care of persons for a continuous period longer than 24 hours, for the purpose of diagnosis or treatment bearing on the physical or mental health of such persons.

"Maternity care" means the care and treatment of a woman during pregnancy or during delivery or within ten days after delivery, and for the purposes of sections 144.50 to 144.56 shall include care during such period of time of the infant born to such mother.

"Chronic or convalescent care" means (1) care required by a person because of prolonged mental or physical illness or defect or during recovery from injury or disease and shall include any or all of the procedures commonly employed in caring for the sick; and (2) care incident to old age required by a person who because of advancing age is not capable of properly caring for himself and shall include necessary personal or custodial care. The furnishing of board, room, and laundry shall not in itself be deemed care incident to old age.

*The term "hospital" includes the term "sanatorium" unless the context clearly indicates otherwise.*

Nothing in sections 144.50 to 144.56 shall authorize any person, partnership, association, or corporation, nor any state, county, or local governmental units, nor any division, department, board, or agency thereof, to engage, in any manner, in the practice of healing, or the practice of medicine, as defined by law.

Sec. 35. Minnesota Statutes 1974, Section 144.51, is amended to read:

144.51 [LICENSE APPLICATIONS.] No person, partnership, association, or corporation, nor any state, county, or local governmental units, nor any division, department, board, or agency thereof, may operate a hospital, sanatorium, rest home, nursing home, or boarding home for the infirm aged, without a license therefor.

Before a license shall be issued under sections 144.50 to 144.56, the person applying shall submit evidence satisfactory to the state board of health that he is not less than 18 years of age and of reputable and responsible character; in the event the applicant is an association or corporation or governmental unit like evidence shall be submitted as to the members thereof and the persons in charge. All applicants shall, in addition, submit satisfactory evidence of their ability to comply with the provisions of sections 144.50 to 144.56 and all rules, regulations, and minimum standards adopted thereunder.

Sec. 36. Minnesota Statutes, 1975 Supplement, Section 144.53, is amended to read:

144.53 [FEES.] Each application for a license, or renewal thereof, to operate a hospital, sanatorium, rest home, or boarding home, or related institution or other institution for the hospitalization

*or care of human beings*, within the meaning of sections 144.50 to 144.56, except applications by the Minnesota veterans home, the commissioner of public welfare for the licensing of state institutions or by the administrator for the licensing of the university of Minnesota hospitals, shall be accompanied by a fee to be prescribed by the state board of health pursuant to section 144.122. No ~~such~~ fee shall be refunded. Licenses shall expire and shall be renewed as prescribed by the board pursuant to section ~~14.122~~ 144.122.

No license granted hereunder shall be assignable or transferable.

Sec. 37. Minnesota Statutes 1974, Section 144.55, is amended to read:

144.55 [LICENSES; ISSUANCE, SUSPENSION AND REVOCATION BY STATE BOARD OF HEALTH.] The state board of health is hereby authorized to issue licenses to operate hospitals, sanatoriums ; ~~rest homes, nursing homes,~~ or other ~~related~~ institutions ~~for the hospitalization or care of human beings~~, which after inspection are found to comply with the provisions of sections 144.50 to 144.56 and any reasonable regulations adopted by the state board of health. All decisions of the state board of health thereunder may be reviewed in the district court in the county in which the institution is located or contemplated.

The state board of health may refuse to grant, refuse to renew, or may suspend or revoke a license on any of the following grounds:

- (1) Violation of any of the provisions of sections 144.50 to 144.56 or the rules, regulations, or standards issued pursuant thereto;
- (2) Permitting, aiding, or abetting the commission of any illegal act in ~~such~~ *the* institution;
- (3) Conduct or practices detrimental to the welfare of the patient; or
- (4) Obtaining, or attempting to obtain a license by fraudulent means or misrepresentation.

Before any ~~such~~ license issued thereunder is suspended, or revoked, or its renewal refused, 30 days written notice shall be given the holder thereof of the date set for hearing of the complaint. The holder of ~~such~~ *the* license shall be furnished with a copy of the complaint and be entitled to be represented by legal counsel at ~~such~~ *the* hearing. ~~Such~~ *The* notice may be given by the state board of health by registered mail. The board may appoint, in writing, any competent person to preside at ~~such~~ *the* hearing who shall take testimony, administer oaths, issue subpoenas, and compel the attendance of witnesses and transmit the record of ~~such~~ *the* hearing to the board. The decision of the board shall be based on the testimony and records.

If a license is revoked as herein provided a new application for license may be considered by the state board of health if, when, and after the conditions upon which revocation was based have been corrected and evidence of this fact has been satisfactorily

furnished. A new license may then be granted after proper inspection has been made and all provisions of sections 144.50 to 144.56 and *the rules and regulations promulgated thereunder as heretofore or hereinafter provided* have been complied with and recommendation has been made therefor by the hospital inspector as an agent of the state board of health.

Sec. 38. Minnesota Statutes, 1975 Supplement, Section 144.571, is amended to read:

144.571 [ADVISORY COUNCIL.] An advisory council of nine members shall be appointed in the following manner to make recommendations to the state board of health and to assist in the establishment and amendment of such rules ; regulations, and standards and any amendments thereto authorized by sections 144.50 to 144.58 . This council shall consist of four members to be appointed annually from the membership of the Minnesota hospital association by the board of trustees thereof, one of said ~~four members~~ whom shall be the superintendent of a hospital operated by a county or other local governmental unit ; ~~one member representing homes for chronic or convalescent patients shall be appointed annually by the state board of health; and .~~ Two members shall be doctors of medicine to be appointed annually from the Minnesota state medical association by the council of the Minnesota state medical association. The commissioner of public welfare, or a person from the department of public welfare designated by him, shall be the ~~eighth~~ a member of the council, and the commissioner of public welfare shall designate the ~~ninth~~ a member who will represent the Minnesota county welfare boards. *The ninth member of the council shall be a public member as defined in section 214.02, and shall be appointed by the governor to serve at his pleasure.*

Sec. 39. Minnesota Statutes 1974, Section 144.572, is amended to read:

144.572 [INSTITUTIONS EXCEPTED.] No regulation nor requirement shall be made, nor standard established under sections 144.50 to 144.56 for any sanatorium, nursing home, nor rest home conducted in accordance with the practice and principles of the body known as the Church of Christ, Scientist, except as to the sanitary and safe condition of the premises, cleanliness of operation, and its physical equipment.

Sec. 40. Minnesota Statutes 1974, Section 144.63, Subdivision 2, is amended to read:

Subd. 2. An advisory ~~board~~ *council* of five members shall be appointed in the following manner to make recommendations to the state board of health ~~in such matters and to assist in concerning~~ the establishment and amendment of such rules and regulations and any amendments thereto authorized by sections 144.59 to 144.65 . This ~~board~~ *council* shall consist of three members to be appointed annually from the membership of the Minnesota Hospital Association by the board of trustees thereof ; . One of ~~said these~~ three members shall be a hospital administrator of a hospital located outside of a city of the first class; one of ~~said~~

*these* three members shall be a hospital administrator of a state, county or municipal hospital; and one of said *these* three members shall be a hospital administrator selected at large ; . One member of said board *the council* shall be the director of the course of hospital administration at the University of Minnesota or his designated representative ; . One member of said board *the council* shall be a duly licensed and registered doctor of medicine to be appointed annually from the Minnesota State Medical Association by the council thereof.

Sec. 41. Minnesota Statutes 1974, Section 144.652, is amended to read:

144.652 [NOTICE TO PATIENT.] The policy statement contained in section 144.651 shall be posted conspicuously in a public place in all facilities licensed under the provisions of sections 144.50 to 144.58 , or section 2 of this act . Copies of the policy statement shall be furnished the patient and resident upon admittance to the facility.

Sec. 42. Minnesota Statutes 1974, Section 144.653, Subdivision 1, is amended to read:

144.653 [RULES; INSPECTIONS.] Subdivision 1. [AUTHORIZATION.] The state board of health is the exclusive state agency charged with the responsibility and duty of inspecting all facilities required to be licensed under the provisions of Minnesota Statutes 1971 , Sections 144.50 to 144.58. The state board of health shall enforce such *its* rules ; regulations and standards subject only to the authority of the department of public safety respecting the enforcement of fire and safety standards in nursing homes and other licensed health care facilities and the responsibility of the commissioner of public welfare pursuant to Minnesota Statutes 1971 , Sections 245.78; 252.28; and 257.081 to 257.123.

Sec. 43. Minnesota Statutes 1974, Section 144.654, is amended to read:

144.654 [EXPERTS MAY BE EMPLOYED.] The state board of health may employ experts in the field of health care to assist the staffs of facilities required to be licensed under the provisions of sections 144.50 to 144.58 , or section 2 of this act, in programming and providing adequate care of the patients and residents of the facility. Alternate methods of care for patients and residents of such *the* facilities shall be researched by the state board of health using the knowledge and experience of experts employed therefor.

Sec. 44. Minnesota Statutes 1974, Section 144.655, is amended to read:

144.655 [PROGRAM FOR VOLUNTARY MEDICAL AID.] Licensed physicians may visit a facility required to be licensed under the provisions of sections 144.50 to 144.58 , or section 2 of this act, and examine patients and residents thereof under a program which shall be established by the state board of health and regulated and governed by rules and regulations promulgated

by the state board of health pursuant to the administrative procedures act. ~~Such~~ *The rules and regulations shall protect the privacy of patients and residents of facilities. No patient or resident of any facility shall be required to submit to an examination under such the program. The state board of health shall consult with medical schools and other experts for the purpose of establishing the program. The state board of health shall encourage the active participation of all licensed physicians on a voluntary basis in such the program.*

Sec. 45. Minnesota Statutes 1974, Section 144.656, is amended to read:

144.656 [EMPLOYEES TO BE COMPENSATED.] All employees of facilities required to be licensed under the provisions of sections 144.50 to 144.58 , *or section 2 of this act*, participating in orientation programs or in inservice training provided by the facility shall be compensated therefor at their regular rate of pay, provided, however, that this section will be effective only to the extent that facilities are reimbursed for ~~such the~~ compensation by the commissioner of public welfare in the proportion of welfare to total residents and patients in the facility.

Sec. 46. Minnesota Statutes 1974, Section 144.657, is amended to read:

144.657 [VOLUNTEER EFFORTS ENCOURAGED.] The state board of health, through the dissemination of information to appropriate organizations, shall encourage citizens to promote improved care in facilities required to be licensed under the provisions of sections 144.50 to 144.58 , *or section 2 of this act*, throughout the state.

Sec. 47. Minnesota Statutes 1974, Section 144.68, Subdivision 2, is amended to read:

Subd. 2. [HOSPITALS AND SIMILIAR INSTITUTIONS.] Every hospital, sanatorium, ~~rest home,~~ nursing home or other place in which any accommodation is offered, furnished, or maintained for the hospitalization of any sick or injured person or for the care of any aged or infirm person requiring or receiving chronic or convalescent care *institution for the hospitalization or care of human beings* , upon request of the state board of health, shall prepare and forward to the board, in the manner and at ~~such the~~ times as *that* it designates, a detailed record of each case of malignant disease having been therein.

Sec. 48. Minnesota Statutes 1974, Section 144.68, Subdivision 3, is amended to read:

Subd. 3. [INFORMATION WITHOUT LIABILITY.] The furnishing of the information required under subdivisions 1 and 2 shall not subject the person, hospital, sanatorium, ~~rest home,~~ nursing home, or other place furnishing ~~such the~~ information, to any action for damages or other relief.

Sec. 49. Minnesota Statutes 1974, Section 145.61, Subdivision 4, is amended to read:

Subd. 4. "Health care" means professional services rendered by a professional or an employee of a professional and services furnished by a hospital, sanatorium, rest home, nursing home, boarding home or other institution for the hospitalization or care of human beings.

Sec. 50. Minnesota Statutes, 1975 Supplement, Section 145.72, Subdivision 2, is amended to read:

Subd. 2. "Health care facility" means any ~~hospital facility licensed as such under Minnesota Statutes 1969, Sections 144.50 to 144.56 ; , or any nursing home licensed as such under Minnesota Statutes 1969, Sections 144.50 to 144.56; or any boarding care home licensed as such under Minnesota Statutes 1969, Sections 144.50 to 144.56~~ *section 2 of this act; but does not include any facility licensed under Minnesota Statutes, Sections 245.78 to 245.821, 252.28, or 257.081 to 257.124 .*

Sec. 51. Minnesota Statutes, 1975 Supplement, Section 145.74, is amended to read:

145.74 [HEALTH PLANNING AGENCIES; MEMBERSHIP REGULATIONS.] The state planning agency shall, subject to chapter 15, after consulting with the state board of health promulgate regulations concerning the membership of area wide comprehensive health planning agencies. The regulations shall include, but not be limited to, the following factors. The regulations shall:

(1) comply with the provisions of the Partnership for Health Act, P.L. 89-749, as amended, and with the National Health Planning and Resources Development Act, P.L. 93-641;

(2) provide that a majority of the membership be composed of consumers;

(3) provide for representation of ~~providers of each of the following: hospital ; and nursing home and boarding care providers ;~~

(4) provide for representation of licensed medical doctors and other health professionals;

(5) provide for a fixed term of membership; and

(6) provide that members of an area wide comprehensive health planning agency shall not select their successors.

No existing area wide comprehensive health planning agency shall exercise the functions provided in sections 145.71 to 145.83 until it is in compliance with regulations issued pursuant to this section.

If there is no area wide comprehensive health planning agency in a designated area of the state in compliance with sections 145.71 to 145.83, the Minnesota state planning agency shall perform the functions and duties of an area wide comprehensive health planning agency for that area.

Sec. 52. Minnesota Statutes 1974, Section 145.75, is amended to read:

145.75 [HEALTH PLANNING AGENCIES; REGULATION OF DUTIES.] The state planning agency, in accordance with chapter 15, shall, after consulting with the area wide comprehensive health planning agencies and the state board of health, make regulations to guide the area wide comprehensive health planning agencies in the performance of their duties. The regulations shall provide for the consideration of at least the following factors:

(a) the need for health care facilities and services in the area and the requirements of the population of the area;

(b) maximum and minimum hospital ; *and* nursing home ; ~~and boarding care home~~ bed ratios per 1,000 inhabitants of the area, subject to differences in requirements of the various designated areas;

(c) the possible economies and improvement in service that may be derived from operation of joint, cooperative, or shared health care resources;

(d) the relationship of proposed construction or modification to overall plans for the development of the area;

(e) the availability and adequacy of the area's existing hospitals ; *and* nursing homes ; ~~and boarding care homes~~ currently conforming to state and federal standards; and

(f) the availability and adequacy of other health services in the area such as out-patient, ambulatory or home care service which may serve as alternates or substitutes for the whole or any part of the service to be provided by any proposed health care facility construction or modification.

The fact that a health care facility serves more than a local area constituency or population or is engaged in educational or research activities shall be taken into consideration in the decision making process with respect to any proposal.

Sec. 53. Minnesota Statutes 1974, Section 145.862, Subdivision 4, is amended to read:

Subd. 4. "Existing state health licensing boards" means the existing professional health licensing boards provided for in Minnesota Statutes ~~1971~~ , Sections ~~144.952~~, 146.02, 147.01, 148.02, 148.52, 148.79, 148.181, 148.296, 150A.02, 151.02, 153.02, 156.01, *and section 19 of this act*, as well as any other professional health licensing boards that may be created hereafter unless specifically exempted therefrom.

Sec. 54. Minnesota Statutes, 1975 Supplement, Section 214.01, Subdivision 2, is amended to read:

Subd. 2. "Health related licensing board" means the board of examiners of nursing home ~~administration~~ *administrators* established pursuant to section ~~144.952~~ *19 of this act* , the board of medical examiners created pursuant to section 147.01, the board of nursing created pursuant to section 148.181, the board of chiropractic examiners established pursuant to section 148.02, the board of licensed practical nursing created pursuant to section

148.29, the board of optometry established pursuant to section 148.52, the board of examiners of psychologists established pursuant to section 148.90, the board of dentistry established pursuant to section 150A.02, the board of pharmacy established pursuant to section 151.02, the board of podiatry examiners and registration established pursuant to section 153.02, and the veterinary examining board, established pursuant to section 156.01.

Sec. 55. Minnesota Statutes 1974, Section 245.691, Subdivision 3, is amended to read:

Subd. 3. Not more than ten patients shall be cared for in any group home established under this section. Minnesota Statutes 1967, Sections 144.50 to 144.58, and section 2 of this act, are not applicable to group homes established by this section.

Sec. 56. Minnesota Statutes 1974, Section 256B.02, Subdivision 2, is amended to read:

Subd. 2. "Excluded time" means any period of time an applicant spends in a hospital, sanatorium, ~~rest home~~, nursing home, ~~boarding home~~, or ~~similar~~ other institution for the hospitalization or care of human beings, as defined in Minnesota Statutes 1965, Section 144.50, or section 1 of this act.

Sec. 57. Minnesota Statutes 1974, Section 256B.30, is amended to read:

256B.30 [HEALTH CARE FACILITY REPORT.] Every facility required to be licensed under the provisions of sections 144.50 to 144.58, or section 2 of this act, shall provide annually to the commissioner of public welfare ~~such~~ the reports as may be required under law and under ~~regulations~~ rules adopted by the commissioner of public welfare under the administrative procedures act. ~~Such regulations~~ The rules shall provide for the submission of a full and complete financial report of a facility's operations including:

- (1) An annual statement of income and expenditures;
- (2) A complete statement of fees and charges;
- (3) The names of all persons other than mortgage companies owning any interest in the facility including stockholders with an ownership interest of ten percent or more of the facility.

The financial reports and supporting data of the facility shall be available for inspection and audit by the commissioner of public welfare.

Sec. 58. Minnesota Statutes 1974, Section 256D.18, Subdivision 2, is amended to read:

Subd. 2. "County of financial responsibility" means (a) the county in which an individual resides; or (b) if an individual is a patient in a hospital, or nursing home, or ~~boarding care home~~, as defined in section 144.50, or section 1 of this act, or is placed in a county as a result of a correctional program or a treatment plan for health, rehabilitation, foster care, child care or training,

at the time of making application, and immediately prior thereto resided in another county, then that other county; or (c) the above provisions notwithstanding, if an individual is a recipient of medical assistance, the county from which he is receiving medical assistance.

Sec. 59. Minnesota Statutes 1974, Section 299F.39, Subdivision 1, is amended to read:

299F.39 [FIRE SAFETY CODE.] Subdivision 1. [ESTABLISHMENT.] The state fire marshal after holding a public hearing in accordance with law, shall establish a fire safety code. The regulations in the code shall provide for reasonable safety from fire, smoke, and panic therefrom, in all hospitals, *as defined in Minnesota Statutes, Section 144.50*; nursing homes, rest homes, board and care homes, *as defined by the state board of health, as defined in section 1 of this act*; schools ; ; and hotels, *as defined in Minnesota Statutes, Section 299F.46, Subdivision 1 2*.

Sec. 60. Minnesota Statutes 1974, Section 609.231, is amended to read:

609.231 [MISTREATMENT OF RESIDENTS OR PATIENTS.] Whoever, being in charge of or employed in any facility required to be licensed under the provisions of sections 144.50 to 144.58, *or section 2 of this act*, intentionally abuses, ill-treats, or culpably neglects any patient or resident therein to his physical detriment may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both.

Sec. 61. Minnesota Statutes 1974, Section 626.555, Subdivision 1, is amended to read:

626.555 [REPORTING OF MALTREATMENT OF PATIENTS.] Subdivision 1. [DECLARATION OF PURPOSE.] The purpose of this section is to provide for the protection of persons being cared for in hospitals, nursing homes or other related institutions licensed pursuant to sections 144.50 to 144.58, *or section 2 of this act*, who have had physical injury inflicted upon them, by other than accidental means, when the injury appears to have been caused as a result of physical abuse or neglect.

Sec. 62. Minnesota Statutes 1974, Section 626.555, Subdivision 2, is amended to read:

Subd. 2. [WHO MAKES REPORT AND TO WHOM MADE.] Whether licensed or not, any physician, surgeon, person authorized to engage in the practice of healing, administrator of a hospital or nursing home, nurse or pharmacist, shall immediately report all cases of physical injury to persons being cared for in hospitals, nursing homes or other related institutions *for the hospitalization or care of human beings*, licensed pursuant to sections 144.50 to 144.58, *or section 2 of this act*, inflicted by other than accidental means which come to their attention, when the injury appears to have been caused as a result of physical abuse or neglect. Cases shall be reported to the state board of health.

Sec. 63. Minnesota Statutes 1974, Section 626.555, Subdivision 7, is amended to read:

Subd. 7. [RETRALIATION PROHIBITED.] No person who directs or exercises any authority in a facility required to be licensed under the provisions of sections 144.50 to 144.58, or section 2 of this act, shall evict, harass, dismiss or retaliate against a patient, resident or employee because he or any member of his family has reported in good faith any violation or suspected violation of laws, ordinances or regulations applying to the facility.

Sec. 64. [REPEALER.] *Minnesota Statutes 1974, Sections 144.584; 144.951; 144.953; 144.954; 144.955; 144.9555; 144.956; 144.957; 144.958; 144.959; 144.96; 144.961; 144.962; 144.963; 144.964; and 144.965; and Minnesota Statutes, 1975 Supplement, Section 144.952, are repealed.*

Sec. 65. [TRANSITIONAL NURSING HOME LICENSES.] *Notwithstanding the provisions of section 5 of this act, nursing home licenses issued or renewed within the 12 months immediately following the effective date of this section shall expire 120 days after the last day of the fiscal year of the facility licensed. Nursing home licenses issued or renewed after that date shall expire as provided in section 5 of this act.*

Sec. 66. [EFFECTIVE DATE.] *Section 10, Subdivision 5, and section 30, subdivision 3, are effective the day following their final enactment. The remaining provisions of this act are effective on the effective date of the rule establishing the schedule of fines authorized by section 10, subdivision 5, or on January 1, 1977, whichever occurs first."*

Further amend the title as follows:

Page 1, line 16, delete "256.12, Subdivision 19;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1999 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				1999	1914

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1999 be amended as follows:

Page 1, line 18, delete "application" and insert "applicant"

And when so amended, H. F. No. 1999 will be identical to S. F. No. 1914 and further recommends that H. F. No. 1999 be given its second reading and substituted for S. F. No. 1914 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted

by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1462 and 2326 for proper reference, recommends the above House Files be re-referred to their respective Committees as follows:

H. F. No. 1462 to the Committee on Metropolitan and Urban Affairs.

H. F. No. 2326 to the Committee on Transportation and General Legislation.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 1838, 1862, 2124, 2031, 2223 and 1956 were read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. No. 1999 was read the second time.

#### **MOTIONS AND RESOLUTIONS**

Mr. McCutcheon moved that the name of Mr. Keefe, S. be added as co-author to S. F. No. 1824. The motion prevailed.

Mr. Keefe, S. moved that S. F. No. 661, No. 6 on General Orders, be stricken and returned to the author. The motion prevailed.

Mr. Moe moved that the name of Mr. Dunn be added as co-author to S. F. No. 2216. The motion prevailed.

Mr. Hughes moved that the report from the Committee on Education reported February 26, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

#### **CONFIRMATION**

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported February 26, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

#### **HIGHER EDUCATION FACILITIES AUTHORITY**

Robert Freson, Room 214, City Hall, Rochester, Olmsted County, appointed effective September 26, 1975, for a term expiring January 1, 1981.

**HIGHER EDUCATION FACILITIES AUTHORITY**

Robert J. Huston, 3012 North 14th Street, St. Cloud, Stearns County, appointed effective November 25, 1975, for a term expiring January 1, 1979.

**STATE BOARD FOR COMMUNITY COLLEGES**

Mrs. Paul Nycklemoe, Route 1, Minnehuta Drive, Fergus Falls, Otter Tail County, appointed effective July 1, 1975, for a term expiring July 1, 1982.

**ADVISORY COUNCIL ON FLUCTUATING ENROLLMENTS**

John B. McCarthy, 972 Cherokee Avenue, West St. Paul, Dakota County, appointed effective January 26, 1976, for a term expiring June 30, 1977.

The motion prevailed. So the appointments were confirmed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Moe moved that S. F. No. 2138 be withdrawn from the Committee on Natural Resources and Agriculture and re-referred to the Committee on Health, Welfare and Corrections. The motion prevailed.

**THIRD READING OF SENATE BILLS**

S. F. No. 1627: A bill for an act relating to state parks; adding lands to Kilen Woods state park in Jackson county.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kowalczyk	Olhoft	Schmitz
Arnold	Gearty	Larson	Olson, A. G.	Schrom
Ashbach	Hansen, Mel	Laufenburger	Olson, H. D.	Sillers
Bang	Hughes	Lewis	Olson, J. L.	Solon
Bernhagen	Humphrey	McCutcheon	O'Neill	Spear
Brataas	Josefson	Merriam	Patton	Stassen
Brown	Keefe, J.	Milton	Perpich, G.	Stokowski
Chmielewski	Keefe, S.	Moe	Pillsbury	Stumpf
Coleman	Kirchner	Nelson	Purfeerst	Tennessee
Conzemius	Kleinbaum	North	Renneke	Ueland
Davies	Knutson	Ogdahl	Schaaf	Wegener

Mr. Dunn voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1975: A bill for an act relating to agriculture; changing the duty of the commissioner in establishing standards, grades, and price differentials for milk and cream from mandatory to permissive; amending Minnesota Statutes 1974, Section 32.401, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 43 and nays 14, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Larson	Olson, A. G.	Schrom
Bang	Dunn	Laufenburger	Olson, H. D.	Sillers
Berg	Gearty	Lewis	Olson, J. L.	Solon
Brown	Hansen, Baldy	McCutcheon	Patton	Stassen
Chenoweth	Hughes	Milton	Perpich, G.	Stokowski
Chmielewski	Humphrey	Moe	Pillsbury	Tennessee
Coleman	Keefe, S.	Nelson	Purfeerst	Wegener
Conzemius	Kirchner	North	Schaaf	
Davies	Kleinbaum	Olhoff	Schmitz	

Those who voted in the negative were:

Anderson	Josefson	Kowalczyk	O'Neill	Stumpf
Bernhagen	Keefe, J.	Merriam	Renneke	Ueland
Hansen, Mel	Knutson	Ogdahl	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1590: A bill for an act relating to elections; requiring the secretary of state to prescribe forms and uniform methods for the reporting of election returns; requiring certain information in returns and canvasses; and imposing certain duties on canvassing officers; amending Minnesota Statutes, 1975 Supplement, Sections 204A.46, by adding a subdivision; and 204A.51.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 58 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Ogdahl	Schmitz
Arnold	Doty	Knutson	Olhoff	Sillers
Ashbach	Dunn	Kowalczyk	Olson, A. G.	Solon
Bang	Gearty	Larson	Olson, H. D.	Spear
Berg	Hansen, Baldy	Laufenburger	Olson, J. L.	Stokowski
Bernhagen	Hansen, Mel	Lewis	O'Neill	Stumpf
Brataas	Hughes	McCutcheon	Patton	Tennessee
Brown	Humphrey	Merriam	Perpich, G.	Ueland
Chenoweth	Josefson	Milton	Pillsbury	Wegener
Chmielewski	Keefe, J.	Moe	Purfeerst	Willet
Coleman	Keefe, S.	Nelson	Renneke	
Conzemius	Kirchner	North	Schaaf	

Mr. Schrom voted in the negative.

So the bill passed and its title was agreed to.

Mr. Kleinbaum moved that S. F. No. 2161, No. 8 on the Calendar, be stricken and placed on the top of General Orders.

The motion prevailed.

S. F. No. 2033: A bill for an act relating to municipalities; temporary investment of surplus funds; amending Minnesota Statutes, 1975 Supplement, Section 471.561.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Ogdahl	Schrom
Arnold	Doty	Knutson	Olhoft	Sillers
Ashbach	Dunn	Kowalczyk	Olson, H. D.	Solon
Bang	Gearty	Larson	Olson, J. L.	Spear
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Bernhagen	Hansen, Mel	Lewis	Patton	Stokowski
Brataas	Hughes	McCutcheon	Perpich, G.	Stumpf
Brown	Humphrey	Merriam	Pillsbury	Tennessen
Chenoweth	Josefson	Milton	Purfeerst	Ueland
Chmielewski	Keefe, J.	Moe	Renneke	Wegener
Coleman	Keefe, S.	Nelson	Schaaf	Willet
Conzemius	Kirchner	North	Schmitz	

So the bill passed and its title was agreed to.

S. F. No. 1685: A bill for an act relating to county government; authorizing county boards to appoint an executive secretary; amending Minnesota Statutes 1974, Section 375.48, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 55 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Ogdahl	Schmitz
Arnold	Dunn	Knutson	Olhoft	Schrom
Ashbach	Gearty	Larson	Olson, A. G.	Sillers
Bang	Hansen, Baldy	Laufenburger	Olson, H. D.	Spear
Berg	Hansen, Mel	Lewis	Olson, J. L.	Stassen
Bernhagen	Hughes	McCutcheon	O'Neill	Stokowski
Brataas	Humphrey	Merriam	Patton	Stumpf
Brown	Josefson	Milton	Pillsbury	Tennessen
Chenoweth	Keefe, J.	Moe	Purfeerst	Ueland
Chmielewski	Keefe, S.	Nelson	Renneke	Wegener
Conzemius	Kirchner	North	Schaaf	Willet

Messrs. Doty; Kowalczyk; Perpich, G. and Solon voted in the negative.

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 1995: A bill for an act relating to education; eye protection requirements for certain industrial and scientific courses; defining industrial quality eye protective devices; amending Minnesota Statutes 1974, Section 126.20, Subdivision 6.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Ogdahl	Schrom
Arnold	Doty	Knutson	Olhoft	Sillers
Ashbach	Dunn	Kowalczyk	Olson, A. G.	Solon
Bang	Gearty	Larson	Olson, H. D.	Spear
Berg	Hansen, Baldy	Laufenburger	Olson, J. L.	Stassen
Bernhagen	Hansen, Mel	Lewis	Patton	Stokowski
Brataas	Hughes	McCutcheon	Perpich, G.	Stumpf
Brown	Humphrey	Merriam	Pillsbury	Tennessee
Chenoweth	Josefson	Milton	Purfeerst	Ueland
Chmielewski	Keefe, J.	Moe	Renneke	Wegener
Coleman	Keefe, S.	Nelson	Schaaf	Willet
Conzemius	Kirchner	North	Schmitz	

So the bill passed and its title was agreed to.

H. F. No. 1530: A bill for an act relating to land planning in the metropolitan area; requiring local adoption of minimum plans and controls; providing for limited council review and acceptance prior to the adoption of such plans and controls; providing for an advisory metropolitan land planning committee; providing for the enforcement of adopted local plans and controls; including certain expenses in the definition of special levy; providing for interim zoning; amending Minnesota Statutes 1974, Section 462.355, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 473.175.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 35 and nays 26, as follows:

Those who voted in the affirmative were:

Arnold	Hughes	Lewis	Ogdahl	Solon
Chenoweth	Humphrey	McCutcheon	Olson, A. G.	Spear
Coleman	Keefe, J.	Merriam	Olson, H. D.	Stassen
Davies	Keefe, S.	Milton	O'Neill	Stokowski
Doty	Kleinbaum	Moe	Perpich, G.	Stumpf
Gearty	Kowalczyk	Nelson	Purfeerst	Tennessee
Hansen, Mel	Laufenburger	North	Schaaf	Wegener

Those who voted in the negative were:

Anderson	Brown	Josefson	Patton	Ueland
Ashbach	Chmielewski	Kirchner	Pillsbury	Willet
Bang	Conzemius	Knutson	Renneke	
Berg	Dunn	Larson	Schmitz	
Bernhagen	Hansen, Baldy	Olhoft	Schrom	
Brataas	Hanson, R.	Olson, J. L.	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 574: A bill for an act relating to pollution control; amending Minnesota Statutes 1974, Sections 115.03, Subdivision

2; 115.05, by adding a subdivision; 115.071, Subdivision 2; 116.07, by adding a subdivision; 116.16, by adding a subdivision; 648.-39, Subdivision 1; repealing Minnesota Statutes 1974, Section 115.05, Subdivisions 1, 3, 4, 5, 6, 7, 8, 9 and 10.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Ogdahl	Schmitz
Arnold	Dunn	Knutson	Olhoft	Schrom
Bang	Gearty	Kowalczyk	Olson, A. G.	Sillers
Berg	Hansen, Baldy	Larson	Olson, H. D.	Solon
Bernhagen	Hansen, Mel	Laufenburger	Olson, J. L.	Spear
Brataas	Hanson, R.	Lewis	O'Neill	Stassen
Brown	Hughes	McCutcheon	Patton	Stokowski
Chenoweth	Humphrey	Merriam	Perpich, G.	Stumpf
Chmielewski	Josefson	Milton	Pillsbury	Tennessen
Coleman	Keefe, J.	Moe	Purfeerst	Ueland
Conzemius	Keefe, S.	Nelson	Renneke	Wegener
Davies	Kirchner	North	Schaaf	Willet

So the bill passed and its title was agreed to.

H. F. No. 1904: A bill for an act relating to cemeteries; prohibiting certain activities on public and private cemeteries and Indian burial grounds; requiring the posting of Indian burial grounds; amending Minnesota Statutes 1974, Section 307.08.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	Olhoft	Schrom
Arnold	Doty	Kleinbaum	Olson, A. G.	Sillers
Ashbach	Dunn	Knutson	Olson, H. D.	Solon
Bang	Gearty	Kowalczyk	Olson, J. L.	Spear
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Bernhagen	Hansen, Mel	Lewis	Patton	Stokowski
Brataas	Hanson, R.	McCutcheon	Perpich, G.	Stumpf
Brown	Hughes	Merriam	Pillsbury	Tennessen
Chenoweth	Humphrey	Moe	Purfeerst	Ueland
Chmielewski	Josefson	Nelson	Renneke	Wegener
Coleman	Keefe, J.	North	Schaaf	Willet
Conzemius	Keefe, S.	Ogdahl	Schmitz	

So the bill passed and its title was agreed to.

#### CALENDAR OF ORDINARY MATTERS

S. F. No. 2168: A bill for an act authorizing the conveyance of lands and structures comprising Count Beltrami state monument to the town of Turtle Lake in Beltrami county; specifying the terms and conditions of such conveyance.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Knutson	Olson, A. G.	Solon
Arnold	Dunn	Kowalczyk	Olson, H. D.	Spear
Ashbach	Gearty	Larson	Olson, J. L.	Stassen
Bang	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Berg	Hansen, Mel	Lewis	Patton	Stumpf
Bernhagen	Hanson, R.	McCutcheon	Perpich, G.	Tennessee
Brataas	Hughes	Merriam	Pillsbury	Ueland
Brown	Humphrey	Milton	Purfeerst	Wegener
Chenoweth	Josefson	Moe	Renneke	Willet
Chmielewski	Keefe, J.	Nelson	Schaaf	
Coleman	Keefe, S.	North	Schmitz	
Conzemius	Kirchner	Ogdahl	Schrom	
Davies	Kleinbaum	Olhoft	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 2130: A bill for an act relating to state lands; authorizing conveyance of certain parcels of land in Hennepin county.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Knutson	Olson, A. G.	Solon
Arnold	Dunn	Kowalczyk	Olson, H. D.	Spear
Ashbach	Gearty	Larson	Olson, J. L.	Stassen
Bang	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Berg	Hansen, Mel	Lewis	Patton	Stumpf
Bernhagen	Hanson, R.	McCutcheon	Perpich, G.	Tennessee
Brataas	Hughes	Merriam	Pillsbury	Ueland
Brown	Humphrey	Milton	Purfeerst	Wegener
Chenoweth	Josefson	Moe	Renneke	Willet
Chmielewski	Keefe, J.	Nelson	Schaaf	
Coleman	Keefe, S.	North	Schmitz	
Conzemius	Kirchner	Ogdahl	Schrom	
Davies	Kleinbaum	Olhoft	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 2170: A bill for an act relating to towns; election of officers; submittal of optional plans of town government to electors; amending Minnesota Statutes, 1975 Supplement, Sections 367.03, Subdivision 1; and 367.31, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Knutson	Olson, A. G.	Solon
Arnold	Dunn	Kowalczyk	Olson, H. D.	Spear
Ashbach	Gearty	Larson	Olson, J. L.	Stassen
Bang	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Berg	Hansen, Mel	Lewis	Patton	Stumpf
Bernhagen	Hanson, R.	McCutcheon	Perpich, G.	Tennessen
Brataas	Hughes	Merriam	Pillsbury	Ueland
Brown	Humphrey	Milton	Purfeerst	Wegener
Chenoweth	Josefson	Moe	Renneke	Willet
Chmielewski	Keefe, J.	Nelson	Schaaf	
Coleman	Keefe, S.	North	Schmitz	
Conzemius	Kirchner	Ogdahl	Schrom	
Davies	Kleinbaum	Olhoft	Sillers	

So the bill passed and its title was agreed to.

#### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 943, pursuant to the request of the House:

Messrs. Merriam, Keefe, J. and Borden.

S. F. No. 932, pursuant to the request of the Senate:

Messrs. North, Milton and Olson, J. L.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

#### RECESS

Mr. Coleman moved that the Senate do now recess until 4:00 o'clock p.m. The motion prevailed.

The hour of 4:00 o'clock p.m. having arrived, the President called the Senate to order.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 9:30 o'clock a.m., Thursday, March 4, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**EIGHTIETH DAY**

**St. Paul, Minnesota, Tuesday, March 2, 1976**

The House of Representatives met on Tuesday, March 2, 1976, which was the Eightieth Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.

**EIGHTY-FIRST DAY**

**St. Paul, Minnesota, Wednesday, March 3, 1976**

**The House of Representatives met on Wednesday, March 3, 1976, which was the Eighty-First Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.**

## EIGHTY-SECOND DAY

St. Paul, Minnesota, Thursday, March 4, 1976

The Senate met at 9:30 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Arnold	Doty	Keefe, J.	Milton	Sillers
Berg	Fitzsimons	Keefe, S.	Olson, J. L.	Solon
Bernhagen	Gearty	Kirchner	Patton	Spear
Blatz	Hansen, Baldy	Kleinbaum	Pillsbury	Stassen
Borden	Hansen, Mel	Knutson	Purfeerst	Stokowski
Brataas	Hansen, R.	Kowalczyk	Renneke	Stumpf
Coleman	Hughes	Larson	Schaaf	Ueland
Conzemius	Humphrey	Lewis	Schmitz	Wegener
Davies	Jensen	McCutcheon	Schrom	Willet

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Alden Lynch.

The roll being called, the following Senators answered to their names:

Anderson	Conzemius	Keefe, J.	North	Schaaf
Arnold	Davies	Keefe, S.	Ogdahl	Schmitz
Ashbach	Doty	Kirchner	Olhoft	Schrom
Bang	Dunn	Kleinbaum	Olson, A. G.	Sillers
Berg	Fitzsimons	Knutson	Olson, H. D.	Solon
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Larson	O'Neill	Stassen
Borden	Hansen, Mel	Laufenburger	Patton	Stokowski
Brataas	Hansen, R.	Lewis	Perpich, A. J.	Stumpf
Brown	Hughes	McCutcheon	Perpich, G.	Tennessee
Chenoweth	Humphrey	Milton	Pillsbury	Ueland
Chmielewski	Jensen	Moe	Purfeerst	Wegener
Coleman	Josefson	Nelson	Renneke	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**MEMBERS EXCUSED**

Messrs. Frederick and Merriam were excused from the Session of today. Mr. Hughes was excused from the Session of today at 12:30 o'clock p.m.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

February 25, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Rebecca Knittle, 4656 Clinton Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1977.

Anna Lawler, 768 Lower Colonial Drive, St. Paul, Ramsey County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1978.

Melda Hedblom, 1801 Summit Avenue, St. Paul, Ramsey County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

James Willis, 3216 First Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

Raul Salazar, 7900 Xerxes Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

Walter Dziedzic, 2727 Cleveland, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

Tollie Joe Flippin, Jr., 3309 Second Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

Duane Korbel, 8129 Rhode Island Circle, Bloomington, Hennepin County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Cathy Clardy, 116 Circle High Drive, Burnsville, Dakota County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Manuel Guerrero, 806 Osceola Avenue, St. Paul, Ramsey County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Mary Lou Hill, 432 Oliver Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Branch Miller, 1530 South Sixth Street, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Jose Trejo, 841 Delaware Avenue, St. Paul, Ramsey County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Ilene Jean Atwood, 5413 London Road, Duluth, St. Louis County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

February 23, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
234		10	February 20	February 20
370		11	February 20	February 20
1405		12	February 20	February 20
1510		13	February 20	February 20
1541		14	February 20	February 20
1584		15	February 20	February 20
1647		16	February 20	February 20

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1976	Date Filed 1976
	1145	17	February 20	February 20
	1977	18	February 20	February 20

Sincerely,

Joan Anderson Growe  
Secretary of State

March 1, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
1949		19	March 1	March 1
	2331	20	March 1	March 1

Sincerely,

Joan Anderson Growe  
Secretary of State

March 2, 1976

The Honorable Alec Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate Files:

S. F. No. 806, An act relating to control of noxious weeds; authorizing towns or cities to control noxious weed growth on state lands; providing reimbursement of certain expenses incurred to control weeds on state lands.

S. F. No. 1439, An act relating to agriculture; dividing the state into four regions for purposes of the potato industry promotion act; amending Minnesota Statutes 1974, Section 30.464, Subdivision 1.

S. F. No. 1501, An act relating to game and fish; regulating entry on agricultural lands for taking small or big game; pro-

viding a penalty; amending Minnesota Statutes 1974, Section 100.273.

S. F. No. 2034, An act relating to natural resources; authorizing the marking and designation of canoe and boating routes on the Straight river; amending Minnesota Statutes 1974, Section 85.32, Subdivision 1.

Sincerely,

Wendell R. Anderson, Governor

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Schmitz; Olson, H. D. and Olson, A. G. introduced—

S. F. No. 2387: A bill for an act relating to Independent School Districts No. 110, No. 278, No. 535, No. 341, and No. 173 and Special School District No. 1; allowing the school districts to provide certain items for nonpublic school children.

Referred to the Committee on Education.

Mr. Milton introduced—

S. F. No. 2388: A bill for an act relating to Independent School District No. 624 and Independent School District No. 12; providing for the exchange of territory between the districts.

Referred to the Committee on Education.

Mr. Lewis introduced—

S. F. No. 2389: A bill for an act relating to state government; providing for the taking of a special city census for the determination of state grants.

Referred to the Committee on Local Government.

Mr. Lewis introduced—

S. F. No. 2390: A bill for an act relating to courts; abolishing the clerk fee in Hennepin county municipal court for a tag; amending Minnesota Statutes 1974, Section 488A.03, Subdivision 11.

Referred to the Committee on Judiciary.

Mr. Lewis introduced—

S. F. No. 2391: A bill for an act relating to the city of St. Louis

Park; authorizing a supplemental retirement plan for elected officials.

Referred to the Committee on Governmental Operations.

Mr. Stokowski introduced—

S. F. No. 2392: A bill for an act relating to driver licenses; permitting limited licenses for violators of no-fault law; amending Minnesota Statutes 1974, Section 171.30, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Lewis and Milton introduced—

S. F. No. 2393: A bill for an act relating to public health; providing that chiropractic colleges shall be entitled to receive cadavers for the purpose of anatomical study; amending Minnesota Statutes 1974, Section 145.14.

Referred to the Committee on Health, Welfare and Corrections.

Mr. McCutcheon introduced—

S. F. No. 2394: A bill for an act relating to tort liability; raising the liability limits of political subdivisions; limiting the liability of individuals employed by political subdivisions; amending Minnesota Statutes 1974, Section 466.04, Subdivision 1, and by adding subdivisions.

Referred to the Committee on Judiciary.

Messrs. Hansen, Baldy; O'Neill and Schrom introduced—

S. F. No. 2395: A bill for an act relating to taxation; inheritance taxes; exempting surviving spouses from inheritance tax; amending Minnesota Statutes 1974, Sections 291.01, Subdivisions 1, 4 and 5; 291.03; and 291.05.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hansen, Baldy; Laufenburger and Hanson, R. introduced—

S. F. No. 2396: A bill for an act relating to health care; requiring certain group health care plans to include optional continuation of coverage after early retirement and until medicare benefits become available.

Referred to the Committee on Labor and Commerce.

Messrs. Pillsbury, Anderson and Nelson introduced—

S. F. No. 2397: A bill for an act relating to the cities of Champ-  
lin, Corcoran, Dayton, Maple Grove, Medina and Plymouth and

the county of Hennepin; authorizing a levy of one mill by each city to provide funding for administrative expenses of the Elm Creek conservation and protection commission; directing the county of Hennepin to provide certain facilities and personnel to the Hennepin county soil and water conservation district.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S. F. No. 2398: A bill for an act relating to highway traffic regulations; special permits for oversize and overweight vehicles; authorizing an annual permit for refuse compactor vehicles and prescribing maximum loads thereon; providing a fee therefor; amending Minnesota Statutes 1974, Section 169.86, Subdivision 5.

Referred to the Committee on Transportation and General Legislation.

Messrs. Hughes, McCutcheon and Ashbach introduced—

S. F. No. 2399: A bill for an act relating to retirement; employees included in membership of the public employees retirement association; amending Minnesota Statutes 1974, Section 353.01, Subdivision 2a.

Referred to the Committee on Governmental Operations.

Messrs. Willet and Chmielewski introduced—

S. F. No. 2400: A bill for an act relating to automobile insurance; requiring certain disclosures; prohibiting certain rate classifications; amending Minnesota Statutes 1974, Chapter 65B, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. Moe, Doty and Ogdahl introduced—

S. F. No. 2401: A bill for an act relating to transportation; appropriating money to the public service commission for the purpose of contracting for railroad passenger service.

Referred to the Committee on Transportation and General Legislation.

Messrs. Purfeerst, Renneke and Solon introduced—

S. F. No. 2402: A bill for an act relating to historic sites; designating additional historic sites; amending Minnesota Statutes 1974, Sections 138.081, by adding a subdivision; 138.53, Subdivisions 7, 38, and by adding subdivisions; 138.58, by adding subdivisions; and 138.73, Subdivision 17.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Merriam introduced—

S. F. No. 2403: A bill for an act relating to crime victims reparations; providing for confidentiality regarding specific identity of victims or claimants; amending Minnesota Statutes 1974, Chapter 299B, by adding a section.

Referred to the Committee on Judiciary.

Mr. Larson introduced—

S. F. No. 2404: A bill for an act relating to game and fish; regulating the shining of wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 10.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Chmielewski and Willet introduced—

S. F. No. 2405: A bill for an act relating to veterans; providing a preference in civil service employment to certain members of the active reserve forces; amending Minnesota Statutes, 1975 Supplement, Section 43.30.

Referred to the Committee on Governmental Operations.

Messrs. Bernhagen, Schrom and Dunn introduced—

S. F. No. 2406: A bill for an act relating to the counties of Meeker, Stearns, and Wright; appropriating money for restoration and improvements of Clearwater Lake watershed.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. McCutcheon, Kirchner and Lewis introduced—

S. F. No. 2407: A bill for an act relating to victims of crime; directing the commissioner of corrections to provide for the planning of a victims' resource program and to implement an experimental operating victims' resource program; appropriating money.

Referred to the Committee on Judiciary.

Mr. Schaaf introduced—

S. F. No. 2408: A bill for an act relating to consumer protection; regulating invention development services; prescribing contract terms and disclosures to customers; defining terms; requiring invention developers to file a bond; providing penalties.

Referred to the Committee on Judiciary. Mr. Hansen, Baldy questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. O'Neill introduced—

S. F. No. 2409: A bill for an act relating to courts; authorizing imposition of fees by Ramsey county municipal and probate court for county law library purposes; amending Minnesota Statutes 1974, Sections 140.22; 140.23; and Chapter 140, by adding sections.

Referred to the Committee on Judiciary.

Mr. Chenoweth introduced—

S. F. No. 2410: A bill for an act relating to taxation; providing for state reimbursement of taxing districts for tax reduction granted to Title II and certain other property; amending Minnesota Statutes 1974, Section 273.13, Subdivision 17b; and Chapter 273, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 276.04.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schaaf, Kowalczyk and Merriam introduced—

S. F. No. 2411: A bill for an act relating to metropolitan government; permitting loans from the metropolitan council to purchase highway right-of-ways; providing an appropriation; amending Minnesota Statutes 1974, Chapter 473, by adding a section.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Schaaf introduced—

S. F. No. 2412: A bill for an act relating to taxation; providing that certain income tax payments may be designated to be paid to the state arts board; appropriating money; amending Minnesota Statutes 1974, Chapter 290, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Chenoweth and Keefe, S. introduced—

S. F. No. 2413: A bill for an act relating to social and charitable organizations; changing requirement of a certified public accountants statement in certain cases; amending Minnesota Statutes 1974, Section 309.53, Subdivision 3.

Referred to the Committee on Labor and Commerce.

Messrs. Merriam and Davies introduced—

S. F. No. 2414: A bill for an act relating to real property; termination of contract for sale; providing differing times of notice in accordance with duration of contract; amending Minnesota Statutes 1974, Section 559.21.

Referred to the Committee on Judiciary.

Mr. Merriam introduced—

S. F. No. 2415: A bill for an act relating to insurance; providing for investigation and review of rate changes; setting guidelines for approving increases; providing a state actuary for the department of insurance; charging a fee on insurance premiums; appropriating money; amending Minnesota Statutes 1974, Sections 70A.05; 70A.06, Subdivisions 1 and 4; 70A.10, Subdivisions 1 and 2; and Chapter 70A, by adding sections; repealing Minnesota Statutes 1974, Sections 70A.02, Subdivision 3; 70A.10, Subdivisions 3 and 4; 70A.11; 70A.12; and 70A.18.

Referred to the Committee on Labor and Commerce.

Messrs. Brown, Larson and Keefe, S. introduced—

S. F. No. 2416: A bill for an act relating to unemployment compensation; prohibiting interns 22 years of age or older from receiving unemployment compensation benefits; amending Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 12.

Referred to the Committee on Labor and Commerce.

Messrs. Stokowski, Ogdahl and Chenoweth introduced—

S. F. No. 2417: A bill for an act relating to retirement; inclusions and exclusions under the Minnesota State Retirement System; amending Minnesota Statutes 1974, Section 352.01, Subdivisions 2A and 2B.

Referred to the Committee on Governmental Operations.

Messrs. Keefe, J.; Schaaf and Hansen, Mel introduced—

S. F. No. 2418: A bill for an act relating to the metropolitan government; providing for election of council members; providing for compensation of council members; amending Minnesota Statutes 1974, Section 473B.02, Subdivisions 2, 4, and 5; and by adding subdivisions.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Hughes, O'Neill and McCutcheon introduced—

S. F. No. 2419: A bill for an act relating to retirement; authorizing minimum pensions and annual adjustments for retired members of the St. Paul Teachers Retirement Fund Association; appropriating funds.

Referred to the Committee on Governmental Operations.

Messrs. Stumpf, O'Neill and Moe introduced—

S. F. No. 2420: A bill for an act relating to education; transportation aids; requiring transportation aid for elementary pupils

under certain hazardous traffic conditions; amending Minnesota Statutes, 1975 Supplement, Section 124.223.

Referred to the Committee on Education.

Messrs. Stumpf, O'Neill and McCutcheon introduced—

S. F. No. 2421: A bill for an act relating to highways; removing highway construction limitations; repealing Minnesota Statutes, 1975 Supplement, Section 161.123.

Referred to the Committee on Transportation and General Legislation.

Mrs. Brataas, by request, introduced—

S. F. No. 2422: A bill for an act relating to elections; hours of certain voter registration offices; amending Minnesota Statutes 1974, Section 201.091, Subdivision 6.

Referred to the Committee on Transportation and General Legislation.

Mrs. Brataas and Messrs. Moe and Ashbach introduced—

S. F. No. 2423: A bill for an act relating to environmental protection; providing that the commissioner of economic development be a permanent member of the environmental quality council; amending Minnesota Statutes 1974, Section 116C.03, Subdivision 2.

Referred to the Committee on Natural Resources and Agriculture.

Mrs. Brataas and Messrs. Merriam and O'Neill introduced—

S. F. No. 2424: A bill for an act relating to labor and industry; appropriating money for enforcement of fair labor standards.

Referred to the Committee on Labor and Commerce.

Mr. Schaaf introduced—

S. F. No. 2425: A bill for an act relating to commerce; providing longer warranties for mobile homes; amending Minnesota Statutes 1974, Section 327.54, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Mr. Chmielewski introduced—

S. F. No. 2426: A bill for an act relating to taxation; exempting receipts from the processing of lumber by sawmills; amending Minnesota Statutes 1974, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Humphrey introduced—

S. F. No. 2427: A bill for an act relating to public welfare; requiring a division for the physically handicapped within the state department of public welfare; amending Minnesota Statutes 1974, Section 256.01, Subdivision 4.

Referred to the Committee on Governmental Operations.

Mr. Lewis introduced—

S. F. No. 2428: A bill for an act relating to the juvenile court; authorizing the court to order a child's family to receive appropriate social services under certain circumstances; amending Minnesota Statutes 1974, Section 260.185, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Lewis, Sillers and Humphrey introduced—

S. F. No. 2429: A bill for an act relating to education; learning disabled children; requiring the state board of education to make grants to court services for improving educational services to delinquent youth; appropriating money.

Referred to the Committee on Education.

Mr. Kleinbaum introduced—

S. F. No. 2430: A bill for an act relating to jurisdiction over federal lands; permitting acceptance by the state of retrocession of jurisdiction over federal lands by federal agencies; amending Minnesota Statutes 1974, Section 1.043.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Arnold introduced—

S. F. No. 2431: A bill for an act relating to appropriations; abolishing open appropriations for various purposes; providing direct appropriations for debt service and for other purposes previously supported by open appropriations; amending Minnesota Statutes 1974, Sections 16.023; 16A.27; 84B.07; 176.183, Subdivision 2; 192.52; 268.06, Subdivision 25; 299D.03, Subdivision 1; 351.11; 352E.02; 355.46, Subdivision 3; 355.50; 481.15, Subdivision 2; Minnesota Statutes, 1975 Supplement, Section 136A.08, Subdivisions 1 and 2; and Laws 1973, Chapter 567, Section 7; repealing Minnesota Statutes 1974, Sections 124.23; 136.508; 352E.05; 355.31 to 355.39; Minnesota Statutes, 1975 Supplement, Section 261.233.

Referred to the Committee on Finance.

Mr. Arnold, for the Committee on Finance, introduced—

S. F. No. 2432: A bill for an act relating to interim claims against the state; appropriating moneys for the payment thereof; repealing Laws 1969, Chapter 886, Section 3, Subdivision 10.

Under the rules of the Senate, laid over one day.

Mr. Arnold introduced—

S. F. No. 2433: A bill for an act relating to appropriations; converting certain open appropriations for retirement to direct appropriations; abolishing other open appropriations for retirement; appropriating money; amending Minnesota Statutes 1974, Sections 3A.04, Subdivisions 3 and 4; 136.81, Subdivision 1; 352.04, Subdivision 5; 352B.25; 352C.03, Subdivision 2; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 490.123, Subdivision 1; Minnesota Statutes, 1975 Supplement, Sections 3A.03, Subdivision 2; and 354A.12; repealing Minnesota Statutes 1974, Sections 3A.11, Subdivision 3; 352.73, Subdivision 4; 354.43, Subdivision 2; and 490.025, Subdivision 8.

Referred to the Committee on Finance.

Messrs. Hansen, Mel; Humphrey and Dunn introduced—

S. F. No. 2434: A bill for an act relating to energy conservation; awards for submission of significant plans or ideas.

Referred to the Committee on Governmental Operations.

Mr. Stassen introduced—

S. F. No. 2435: A bill for an act relating to the city of Hastings; removing certain restrictions on the use of certain lands conveyed by the state to the city; amending Extra Session Laws 1967, Chapter 18, Section 2.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Moe introduced—

S. F. No. 2436: A bill for an act relating to public lands; authorizing the commissioner of natural resources to sell certain state owned lands; and authorizing certain county boards to sell certain tax-forfeited lands.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Perpich, G. introduced—

S. F. No. 2437: A bill for an act relating to agriculture; prescribing the location of the department of agriculture; providing an appropriation; amending Minnesota Statutes 1974, Chapter 17, by adding a section.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Sillers introduced—

S. F. No. 2438: A bill for an act relating to zoning; providing for enforcement of certain subdivision regulations by prohibiting the recording of conveyances containing unapproved descriptions; amending Minnesota Statutes 1974, Section 394.37, Subdivision 1.

Referred to the Committee on Local Government.

Mr. Merriam introduced—

S. F. No. 2439: A bill for an act relating to game and fish; prohibiting the spearing of certain species of fish unless the population is promiscuous or overcrowded; amending Minnesota Statutes 1974, Sections 97.48, Subdivision 1; 101.41, Subdivision 4; and 101.42, by adding a subdivision.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Olson, A. G. introduced—

S. F. No. 2440: A bill for an act relating to towns; appropriating money for recodification of town laws.

Referred to the Committee on Local Government.

Mr. Solon introduced—

S. F. No. 2441: A bill for an act relating to public employment labor relations; reconciling negotiated contract provisions with existing law; designating the number of arbitrators; modifying the fees chargeable by arbitrators; amending Minnesota Statutes 1974, Sections 179.66, Subdivision 5; and 179.72, Subdivision 6.

Referred to the Committee on Labor and Commerce.

Mr. Solon introduced—

S. F. No. 2442: A bill for an act relating to pistols; providing for applications for permits to carry pistols by temporary residents; amending Minnesota Statutes, 1975 Supplement, Section 624.714, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Josefson and Olson, J. L. introduced—

S. F. No. 2443: A bill for an act relating to the counties of Lincoln, Lyon and Murray; authorizing each county to designate a human services board.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Renneke and Ueland introduced—

S. F. No. 2444: A bill for an act relating to Blue Earth county;

providing for a tax levy in excess of limits for cost of coordinating services for the elderly.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon, O'Neill and Coleman introduced—

S. F. No. 2445: A bill for an act relating to taxation; exempting certain public pension plan and peace officers benefit fund payments from inheritance taxes; amending Minnesota Statutes 1974, Chapter 291, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Merriam, Coleman and Milton introduced—

S. F. No. 2446.: A bill for an act relating to labor; specifying a minimum wage rate for agricultural sugar beet workers; regulating hours for minor sugar beet employees; amending Minnesota Statutes 1974, Chapter 177, by adding a section; and Section 181A.07, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Mr. Borden introduced—

S. F. No. 2447: A bill for an act relating to Aitkin county; authorizing sale of certain tax forfeited lakeshore property.

Referred to the Committee on Local Government.

Messrs. Ueland, Anderson and Renneke introduced—

S. F. No. 2448: A bill for an act relating to railroads; allowing reduced rates for transportation of solid waste material for re-processing; amending Minnesota Statutes 1974, Section 218.021, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Messrs. Tennesen and Keefe, S. introduced—

S. F. No. 2449: A bill for an act relating to crimes; circumstances justifying a discharge of a firearm to effect an arrest; amending Minnesota Statutes 1974, Sections 609.065; and 629.33.

Referred to the Committee on Judiciary.

Mr. Keefe, S. introduced—

S. F. No. 2450: A bill for an act relating to public employees; providing for an automatic pay increase to state employees who pass the certified professional secretary examination.

Referred to the Committee on Governmental Operations.

Messrs. Ashbach and Coleman introduced—

S. F. No. 2451: A bill for an act relating to insurance; removing licensing exemptions for certain insurance adjusters and appraisers; establishing a bill of rights for the processing of certain automobile claims; prohibiting certain practices; amending Minnesota Statutes 1974, Sections 72B.03; and 72B.14; repealing Minnesota Statutes 1974, Section 72B.10.

Referred to the Committee on Labor and Commerce.

Mr. Wegener introduced—

S. F. No. 2452: A bill for an act relating to juries; providing that persons 70 years of age or younger may serve on juries; amending Minnesota Statutes 1974, Section 628.43.

Referred to the Committee on Judiciary.

Messrs. Olson, A. G. and Wegener introduced—

S. F. No. 2453: A bill for an act relating to taxation; changing the means of calculation and adjustment of levy limits in certain counties; amending Minnesota Statutes, 1975 Supplement, Section 275.51, Subdivision 3c.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Laufenburger and Borden introduced—

S. F. No. 2454: A bill for an act relating to public safety; appropriating money for the manufacture of license plates.

Referred to the Committee on Transportation and General Legislation.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1816.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1590.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1976

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 570, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 570: A bill for an act relating to taxation; increasing the income tax deduction for dependents' school expenses: amend-Berglin, Dahl and Heinitz.

ing Minnesota Statutes 1974, Section 290.09, Subdivision 22.

Senate File No. 570 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 1, 1976

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 932: A bill for an act relating to public welfare; permitting the commissioner of public welfare to establish maximum fees for congregate living care under income maintenance programs; amending Minnesota Statutes 1974, Section 256.01, Subdivision 2.

There has been appointed as such committee on the part of the House:

Senate File No. 932 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 3, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 995: A bill for an act relating to agriculture; regulating pesticides; providing a penalty; amending Minnesota Statutes 1974, Sections 21.47, Subdivisions 8 and 9; and 21.49, Subdivision 1; repealing Minnesota Statutes 1974, Sections 18.031; 18.032, Subdivisions 1 to 5, 7, and 8; 18.0321 to 18.036; 18A.01; 18A.02, Subdivisions 1, 2, 4, and 5; 18A.03 to 18A.11; 24.069; 24.071; 24.072, Subdivisions 1, 3, and 5; 24.0721 to 24.077; Minnesota Statutes, 1975 Supplement, Sections 18.032, Subdivision 6; 18A.02, Subdivision 3; and 24.072, Subdivisions 2 and 4.

Senate File No. 995 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 2, 1976

**CONCURRENCE AND REPASSAGE**

Mr. Purfeerst moved that the Senate concur in the amendments by the House to S. F. No. 995 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 995 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended.

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, J.	Olhoff	Schrom
Arnold	Doty	Kirchner	Olson, A. G.	Sillers
Ashbach	Dunn	Kleinbaum	Olson, J. L.	Solon
Bang	Fitzsimons	Knutson	O'Neill	Spear
Berg	Gearty	Kowalczyk	Patton	Stassen
Bernhagen	Hansen, Baldy	Larson	Perpich, A. J.	Stokowski
Blatz	Hansen, Mel	Laufenburger	Perpich, G.	Stumpf
Borden	Hanson, R.	Lewis	Pillebury	Tennessee
Brataas	Hughes	McCutcheon	Purfeerst	Ueland
Chmielewski	Humphrey	Milton	Renneke	Wegener
Coleman	Jensen	Moe	Schaaf	Willet
Conzemius	Josefson	North	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

**MESSAGES FROM THE HOUSE—CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1135: A bill for an act relating to intoxicating and non-intoxicating liquor; age for licensing, sale, purchase, consumption, possession and furnishing; amending Minnesota Statutes 1974, Sections 340.02, Subdivision 8; 340.035, Subdivision 1; 340.119, Subdivision 2; 340.13, Subdivision 12; 340.355; 340.403, Subdivision 3; 340.73, Subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

Senate File No. 1135 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 3, 1976

**CONCURRENCE AND REPASSAGE**

Mr. Bernhagen moved that the Senate concur in the amendments by the House to S. F. No. 1135 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1135: A bill for an act relating to intoxicating and non-intoxicating liquor; age for licensing, sale, purchase, consumption, possession and furnishing; amending Minnesota Statutes 1974, Sections

340.02, Subdivision 8; 340.035, Subdivision 1; 340.119, Subdivision 2; 340.13, Subdivision 12; 340.355; 340.403, Subdivision 3; 340.73, Subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 45 and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Josefson	Olson, A. G.	Schmitz
Arnold	Dunn	Kirchner	Olson, J. L.	Schrom
Ashbach	Fitzsimons	Knutson	O'Neill	Sillers
Berg	Gearty	Kowalczyk	Patton	Solon
Bernhagen	Hansen, Baldy	Larson	Perpich, A. J.	Stassen
Borden	Hansen, Mel	Moe	Perpich, G.	Stokowski
Chenoweth	Hanson, R.	Nelson	Pillsbury	Tennessee
Chmielewski	Hughes	Ogdahl	Purfeerst	Wegenor
Davies	Jensen	Olhoft	Renneke	Willet

Those who voted in the negative were:

Bang	Conzemius	Keefe, S.	Lewis	Spear
Blatz	Humphrey	Kleinbaum	Milton	Stumpf
Brataas	Keefe, J.	Laufenburger	North	Ueland
Coleman				

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 108, 1827, 1929, 1087, 1885, 1957, 2244, 1326, 1912, 2105, 2216 and 2147.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 1, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 116, 1005, and 1322.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 3, 1976

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 108: A bill for an act relating to barbers and the board of barber examiners; increasing fees; amending Minnesota Statutes

1974, Section 154.18; and Minnesota Statutes, 1975 Supplement, Section 154.23.

Referred to the Committee on Labor and Commerce.

H. F. No. 1827: A bill for an act relating to health care; requiring certain insurance policies, health care plans and group subscriber contracts to provide certain benefits for out-patient treatment of alcoholism, chemical dependency or drug addiction; amending Minnesota Statutes 1974, Section 62A.149.

Referred to the Committee on Labor and Commerce.

H. F. No. 1929: A bill for an act relating to health care; requiring that certain insurance contracts and subscriber contracts provide benefits for certain services performed by podiatrists; amending Minnesota Statutes 1974, Section 62A.043.

Referred to the Committee on Labor and Commerce.

H. F. No. 1087: A bill for an act relating to privacy of communications; authorization for interception of wire or oral communications; amending Minnesota Statutes 1974, Section 626A.05.

Referred to the Committee on Judiciary.

H. F. No. 1885: A bill for an act relating to the metropolitan airports commission; requiring the installation of aircraft noise suppressing equipment at certain Minneapolis-St. Paul International Airport sites; amending Laws 1975, Chapter 13, Section 100, by adding a subdivision.

Referred to the Committee on Metropolitan and Urban Affairs.

H. F. No. 1957: A bill for an act relating to natural resources; providing general condemnation power upon obtaining consent of landowner; amending Minnesota Statutes 1974, Section 84.027, by adding a subdivision.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 2244: A bill for an act relating to public employment labor relations; providing for determination of the fair share fee; providing for appeal of that determination; amending Minnesota Statutes 1974, Sections 179.63, by adding a subdivision; 179.65, Subdivision 2; 179.71, Subdivision 2; and 179.72, Subdivision 3.

Referred to the Committee on Rules and Administration.

H. F. No. 1326: A bill for an act relating to garnishment and execution; amending Minnesota Statutes 1974, Sections 550.04; 550.142; 550.37, Subdivisions 4, 13, 14, 18, 19, and by adding a subdivision; 571.41, Subdivisions 1 and 2, and by adding subdivisions; 571.55, Subdivisions 1 and 2; 571.61, Subdivision 1; 571.67; and Chapters 550, by adding a section; and 571, by adding sections;

repealing Minnesota Statutes 1974, Sections 571.47; 571.48; and 571.49.

Referred to the Committee on Judiciary.

H. F. No. 1912: A bill for an act relating to elections; affecting the place and time of voter registration; amending Minnesota Statutes 1974, Section 201.091, Subdivision 6.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 2105: A bill for an act relating to county agricultural societies; authorizing the renewal of the period of corporate existence of certain agricultural societies whose period of duration has expired; validating acts done and contracts made subsequent to the expiration of the corporate existence.

Referred to the Committee on Rules and Administration.

H. F. No. 2216: A bill for an act relating to interim claims against the state; appropriating moneys for the payment thereof; repealing Laws 1969, Chapter 886, Section 3, Subdivision 10.

Referred to the Committee on Rules and Administration.

H. F. No. 2147: A bill for an act relating to traffic regulation; providing for traffic and parking regulation by school boards; providing a penalty; amending Minnesota Statutes 1974, Chapter 123, by adding a section.

Referred to the Committee on Education.

H. F. No. 116: A bill for an act relating to family planning services; providing for the establishment of a comprehensive state family planning services plan; appropriating funds.

Referred to the Committee on Finance.

H. F. No. 1005: A bill for an act relating to meetings of state agencies and governing bodies open to public; providing for notice of meetings; amending Minnesota Statutes 1974, Section 471.705, Subdivision 1.

Referred to the Committee on Governmental Operations.

H. F. No. 1322: A bill for an act relating to public health; providing for the regulation of ambulance services; providing penalties; amending Minnesota Statutes 1974, Chapter 144, by adding sections; and Sections 144.801; 144.803; and 144.806; and Minnesota Statutes, 1975 Supplement, Section 144.802; repealing Minnesota Statutes 1974, Sections 144.804, Subdivisions 2 and 3; and 144.805.

Referred to the Committee on Health, Welfare and Corrections.

**REPORTS OF COMMITTEES**

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S. F. Nos. 1895 and 2227 and H. F. No. 610 and reports pertaining to appointments. The motion prevailed.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 2252: A bill for an act relating to the towns of Moose Lake in Carlton county and Windemere in Pine county; authorizing the Moose Lake and Windemere area sanitary sewer district to exercise certain powers of sanitary districts; providing for the election of members of the sanitary sewer board; amending Laws 1974, Chapter 400, Sections 3, Subdivisions 5 and 12; 4, Subdivision 2, and by adding subdivisions; 8 by adding a subdivision; and by adding a section; repealing Laws 1974, Chapter 400, Section 4, Subdivisions 3, 4, 5 and 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 4 and 5, strike "town boards" and insert "*governing bodies*"

Page 2, line 6, strike "town board" and insert "*governing body*"

Page 2, line 7, strike "town boards" and insert "*governing bodies*"

Page 2, line 9, strike the new language and insert "*For the purposes of this subdivision the governing body of a town is the town board.*"

Page 2, strike lines 10 to 31

Pages 2 to 5, strike all of section 4

Page 6, strike all of section 7

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, strike ", and by adding subdivisions"

Page 1, line 10, after "section" strike the semicolon

Page 1, strike line 11

Page 1, line 12, strike "Subdivisions 3, 4, 5, and 8"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2112: A bill for an act relating to public employment labor relations; providing for determination of the fair share fee;

providing for appeal of that determination; amending Minnesota Statutes 1974, Sections 179.63, by adding a subdivision; 179.65, Subdivision 2; 179.71, Subdivision 2; and 179.72, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 25 and 26, strike "*who are not members of the representative*"

Page 2, line 31, before the period, insert "*but the burden of proof relating to the amount of the fair share fee shall be on the exclusive representative*"

Page 3, line 4, after "*deductions*" insert "*for a fair share fee*"

Page 3, line 4, strike "*may*" and insert "*shall*"

Page 4, line 5, before the period, insert "*and sections 3 and 4 shall apply retroactively to any proceeding presently pending challenging the circumstances and amount of a fair share fee*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1824: A bill for an act relating to building contractors; providing for a state bond to replace local requirements; amending Minnesota Statutes 1974, Chapter 16, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.] Subdivision 1. As used in this act, the terms in this section shall have the meanings assigned to them.

Subd. 2. "Board" means the Minnesota state builders board.

Subd. 3. "Class A builder or class A building contractor" means a person who, in the pursuit of an independent business, undertakes or offers to undertake, or submits a bid, to construct, alter, repair, improve, move, or demolish a structure. This subdivision shall apply only to builders and contractors whose business operations require the use of three or more building trades or crafts during the normal course of business activity.

Subd. 4. "Class B builder" means a person not eligible for class A who is:

(a) Authorized to perform work in a trade or craft; and

(b) Independently responsible for any work on a structure. Construction activities covered in class B shall include, but not be limited to, the installation, construction, replacement, or improvement of concrete and blacktop driveways, swimming pools, porches, garages, fall-out shelters, barns and machine sheds, central heating or air conditioning, storm

windows, awnings, fire and burglar alarms, and other improvements to structures.

Subd. 5. "Commissioner" means the commissioner of administration.

Subd. 6. "Person" includes an individual, firm, partnership, association, and nonprofit and business corporations.

Sec. 2. [MINNESOTA STATE BUILDERS BOARD.] Subdivision 1. There shall be established within the department of administration, building codes division, the Minnesota state builders board, consisting of seven members appointed by the commissioner. Three of the members shall be builders, one shall be the director of the building codes division or his designee, one shall be a member of a building trades union, and two shall be consumers. After the initial appointments to the board, only those builders registered under sections 1 to 10 shall be appointed to or serve on the board as builder members.

Subd. 2. The provisions of Minnesota Statutes, Section 214.09, Subdivisions 2 and 3 shall govern membership terms and compensation of board members.

Subd. 3. The board shall select from among its members a chairperson, a vice-chairperson, and such other officers for such terms and with such duties and powers necessary for the performance of their duties as the board determines.

Subd. 4. A majority of the members of the board constitutes a quorum for the transaction of business.

Sec. 3. [LICENSES.] Subdivision 1. A person shall not do work or submit a bid to do work as a class A or B builder or class A contractor unless he has first obtained a license issued by the board.

Subd. 2. No political subdivision of the state shall issue a building permit to anyone required to be licensed under this section who does not have such license.

Subd. 3. No political subdivision of the state shall require any licensee to be registered, licensed or pay any license or registration fee or post a license bond under any ordinance, law, rule or regulation of the political subdivision. This subdivision only prohibits local imposition of an occupational licensing or registration scheme and does not prohibit charging for building permits or other charges not directly related to occupational licensing or registration.

Subd. 4. It shall be prima facie evidence of doing business as a class A or B builder or class A contractor if within any one 12 month period a person offers for sale two or more structures on which he or an employee performed work described in section 2, subdivision 3, of this act.

Subd. 5. A class A or B builder or class A contractor may not bring or maintain an action for compensation for the performance of any work described in section 1 unless said builder or contractor was licensed pursuant to this act at the time of bidding or entering into a contract for the performance of the work.

Sec. 4. [APPLICATION FOR LICENSE.] A person who wishes to be licensed as a class A or B builder or class A contractor shall submit

an application to the board, under oath, on a form prescribed by the board. The application shall include the following information regarding the applicant:

- (1) Employer's social security account number;
- (2) Workers' compensation insurance account number;
- (3) Unemployment insurance account number;
- (4) State withholding tax account number;
- (5) Federal withholding tax account number;
- (6) Whether a class A builder or contractor or a class B builder, and, if the latter, the type of specialty engaged in;
- (7) The name and address of:
  - (a) Each partner or venturer, if the applicant is a partnership or a joint venture;
  - (b) The owner, if the applicant is an individual proprietorship;
  - (c) The corporate officers, if the applicant is a corporation.

Sec. 5. [LICENSING.] Subdivision 1. The board may promulgate rules in accordance with Minnesota Statutes, Chapter 15 governing the issuance of a license. The rules may prescribe the form of license application and classes or exemptions authorized pursuant to this act.

Subd. 2. Application and renewal fees shall be as follows:

- (a) \$75 for original licensing and renewal of a class A builder's or contractor's license.
- (b) \$45 for original licensing and renewal of a class B builder's license.

Fees collected shall be distributed two-thirds to the municipality or town where the licensee's principal place of business is located, or if not located in a municipality or town to the county where the licensee's principal place of business is located, and one-third shall be deposited with the state treasurer and credited to the general fund.

Subd. 3. A class A builder or contractor, or a class B builder who has a building permit in his name, issued to him by a political subdivision of this state, applying for a license shall file with the board a bond with one or more corporate sureties authorized to do business in this state in the amount of \$2,500 annual aggregate with the state of Minnesota as obligee, conditioned that the builder or contractor will comply with the provisions of this act. In lieu of the surety bond required by this subdivision, the builder or contractor may file with the board, under the same terms and conditions as stated above, a deposit in cash or negotiable securities acceptable to the board.

Subd. 4. At the time of licensing the applicant shall furnish the board satisfactory evidence that he has in effect public liability and property damage insurance covering his work subject to this act in the sum of not less than

- (a) \$50,000 for property damage;

(b) \$100,000 for injury or damage, including death, to any one person; and

(c) \$300,000 for injury or damage including death, arising out of any one accident.

The insurer shall notify the board of the cancellation of any insurance required by this section not later than ten days before the effective date of such cancellation.

Subd. 5. A license is valid for one year from the date of issuance. It may be renewed by the same procedure as for an original license upon application and the furnishing of such additional information as the board may require.

Sec. 6. [ISSUANCE MANDATORY, GROUNDS FOR DENIAL, REVOCATION OR SUSPENSION.] The board shall issue a license to any person who qualifies under this act and under rules of the board. The board shall not issue a license to any person, or may suspend, revoke, or refuse to renew the license of any person when it finds:

(a) That the licensee or applicant has submitted false information in his application for licensing or renewal;

(b) That the insurance required by section 5, subdivision 4 of this act is not in effect;

(c) That the bond or security required by section 5, subdivision 3 of this act is not in effect;

(d) That the licensee or applicant has engaged in conduct as a builder or contractor that is dishonest or fraudulent;

(e) That the licensee or applicant has violated this act, or a rule or order of the board.

Sec. 7. [HEARINGS.] Any person aggrieved by a determination of the board in refusing to grant a license or a renewal thereof or by a determination of the board in revoking or suspending a license is entitled to a hearing thereon as in a contested case under Minnesota Statutes, Chapter 15.

Sec. 8. [INVESTIGATIONS; POWERS.] Subdivision 1. The board may investigate the activities of any person engaged in the building industry to determine compliance with this act.

Subd. 2. The board has the power to administer oaths, issue notices and subpoenas in the name of the board, compel the attendance of witnesses and the production of evidence, hold hearings, and perform such other acts as are reasonably necessary to carry out its duties under this act.

Sec. 9. [EXEMPTIONS AND EXCLUSIONS; POWER TO CREATE EXEMPTIONS AND EXCLUSIONS.] Subdivision 1. The provisions of this act shall not apply to:

(a) Construction, alteration, improvement, or repair for the federal government, the state of Minnesota, or any political subdivision of the state;

(b) A person who solely furnishes materials, supplies, equipment, or finished products, to a builder;

(c) An owner who contracts for work to be performed by a person required to be licensed under the provisions of this act;

(d) A person who is licensed under any state agency to do work for which a license is otherwise required by this act;

(e) A person performing work on property owned and occupied by him;

(f) A person who performs work subject to this act, for compensation as an employee of a builder or contractor.

Subd. 2. The board may by rule provide for exemptions or exclusions in addition to those prescribed in this section where it deems that the public interest does not require licensing.

Sec. 10. [EFFECTIVE DATE.] This act is effective January 1, 1977."

Further, strike the title and insert:

"A bill for an act relating to commerce; requiring the licensing of builders and contractors; creating a board; requiring bonds and insurance."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2180: A bill for an act relating to housing and redevelopment authorities; allowing employees and commissioners to purchase a principal residence in a housing and redevelopment authority project; amending Minnesota Statutes 1974, Section 462.431.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 527: A bill for an act relating to the purchase of surplus state property at public auction by state employees; amending Minnesota Statutes 1974, Section 15.055.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 43, is amended by adding a section to read:

[43.37] [PUBLIC EMPLOYEES NOT TO PURCHASE MERCHANDISE FROM GOVERNMENTAL AGENCIES; EXCEPTIONS; PENALTY.] *No officer or employee of the state or any of its political subdivisions shall sell or procure for sale or have in his possession or control for sale to any other officer or employee of the state or*

*the subdivision, as appropriate, any property or materials owned by the state or subdivision except pursuant to conditions provided in this section. Property or materials owned by the state or a subdivision, except real property, and not needed for public purposes, may be sold to an employee of the state or the subdivision after reasonable public notice at public auction or by sealed bid if the employee is the highest responsible bidder and if he is not directly involved in the auction or sealed bid process. Requirements for reasonable public notice may be prescribed by other law or ordinance so long as at least one week's published or posted notice is specified. A state employee may purchase no more than one motor vehicle from the state in any twelve month period. A person violating the provisions of this section is guilty of a misdemeanor. This section shall not apply to the sale of property or materials acquired or produced by the state or subdivision for sale to the general public in the ordinary course of business.*

Sec. 2. *Minnesota Statutes 1974, Section 15.055, is repealed.*

Sec. 3. *This act is effective the day following final enactment."*

Amend the title by striking it in its entirety and inserting: "A bill for an act relating to the purchase of surplus government property by public employees; providing a penalty; amending Minnesota Statutes 1974, Chapter 43, by adding a section; repealing Minnesota Statutes 1974, Section 15.055."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1821: A bill for an act relating to civil service; providing for the status of persons holding positions changed to the unclassified service; amending Minnesota Statutes, 1975 Supplement, Section 43.09, Subdivision 2a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, strike "*shall*"

Page 2, strike line 4

Page 2, line 5, strike "*his request*" and insert "*of a position that is declassified pursuant to this subdivision, if he so requests within 30 days after being removed from that position*"

Page 2, line 8, after "*incumbent*" insert "*, at the time the position was declassified,*"

Page 2, line 10, after "*shall*" insert "*, if he so requests within 120 days after being removed from that position,*"

Page 2, line 14, reinsert the stricken "*accepts*" and strike the new language

Page 3, after line 2, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act shall be effective the day*

*after final enactment. An incumbent of a position that was declassified within one year prior to the effective date of this act shall have the rights accorded by this act."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G., from the Committee on Local Government, to which was re-referred

S. F. No. 1078: A bill for an act relating to the city of Two Harbors; providing for reimbursement of city officers for wages lost during time spent on official business.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "member" and insert "official"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2147: A bill for an act relating to intoxicating liquor; permits to sell upon military bases or installations.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "adjutant general, with the approval of the"

Page 1, line 9, strike the comma

Page 1, line 11, after "installations" insert "under the jurisdiction of the adjutant general and provided the adjutant general authorizes such licenses"

Page 1, after line 14, add a section to read:

"Sec. 2. [EFFECTIVE DATE.] This act is effective on the day following its final enactment."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1753: A bill for an act relating to financial institutions; requiring insurance for accounts in credit unions and savings associations; requiring a certificate of approval; amending Minnesota Statutes 1974, Section 51A.23 by adding subdivisions; and Chapter 52 by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "1978" and insert "1979"

Page 2, line 8, strike "1980" and insert "1981"

Page 3, line 8, strike "1980" and insert "1981"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1776: A bill for an act relating to workmen's compensation; providing that compensation for injury to internal organs will be based on that injury's contribution to the individual's general physical disability; amending Minnesota Statutes 1974, Section 176.101, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 176.101, Subdivision 3, is amended to read:

Subd. 3. [PERMANENT PARTIAL DISABILITY.] For the permanent partial disability from the loss of a member the compensation for total disability during the healing period shall be as stated in subdivision 1. For partial disability during the healing period the compensation shall be as stated in subdivision 2. The healing period shall not exceed 104 weeks. Thereafter and in addition thereto, compensation shall be that named in the following schedule, subject to a maximum compensation of \$135 per week:

(1) For the loss of a thumb,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 65 weeks;

(2) For the loss of a first finger, commonly called index finger,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 40 weeks;

(3) For the loss of a second finger,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 35 weeks;

(4) For the loss of a third finger,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 25 weeks;

(5) For the loss of a fourth finger, commonly called the little finger,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 20 weeks;

(6) The loss of the first phalange of the thumb or of any finger, is considered equal to the loss of one-half of the thumb or finger and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the thumb or finger;

(7) The loss of one and one-half or more phalanges is considered equal to the loss of the entire finger or thumb; but in no

case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand;

(8) For the loss of a great toe,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 35 weeks;

(9) For the loss of a toe other than a great toe,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 15 weeks;

(10) The loss of the first phalange of any toe is considered equal to the loss of one-half of the toe, and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the toe;

(11) The loss of one and one-half or more phalanges is considered equal to the loss of the entire toe;

(12) For the loss of a hand, not including the wrist movement,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 195 weeks;

(13) For the loss of a hand, including wrist movement,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 220 weeks;

(14) For the loss of an arm,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 270 weeks;

(15) Amputation of the arm below the elbow is considered the loss of a hand, including wrist movement, if enough of the forearm remains to permit the use of an effective artificial member, otherwise it is considered the loss of an arm;

(16) For the loss of a foot, not including ankle movement,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 140 weeks;

(17) For the loss of a foot, including ankle movement,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 165 weeks;

(18) For the loss of a leg, if enough of the leg remains to permit the use of an effective artificial member,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 195 weeks;

(19) For the loss of a leg so close to the hip that no effective artificial member can be used,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 220 weeks;

(20) Amputation of a leg below the knee is considered as equal to the loss of a foot, including ankle movement, if enough of the lower leg remains to permit the use of an effective artificial member, otherwise it is considered as equal to the loss of a leg;

(21) For the loss of an eye,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 160 weeks;

(22) For the complete permanent loss of hearing in one ear,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 85 weeks;

(23) For the complete permanent loss of hearing in both ears,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 170 weeks;

- (24) For the loss of an eye and a leg,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 475 weeks;
- (25) For the loss of an eye and an arm,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 475 weeks;
- (26) For the loss of an eye and a hand,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 450 weeks;
- (27) For the loss of an eye and a foot,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 400 weeks;
- (28) For the loss of two arms, other than at the shoulder,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (29) For the loss of two hands,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (30) For the loss of two legs, other than so close to the hips that no effective artificial member can be used,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (31) For the loss of two feet,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (32) For the loss of one arm and the other hand,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (33) For the loss of one hand and one foot,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (34) For the loss of one leg and the other foot,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (35) For the loss of one leg and one hand,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (36) For the loss of one arm and one foot,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (37) For the loss of one arm and one leg,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (38) For loss of the voice mechanism,  $66\frac{2}{3}$  percent of the daily wage at the time of injury during 500 weeks;
- (39) For head injuries resulting in permanent partial disability,  $66\frac{2}{3}$  percent of the daily wage at the time of injury for that proportion of 500 weeks which is represented by the percentage of such permanent partial disability as is determined from competent testimony adduced at a hearing before a compensation judge, a commissioner, or the commission;
- (40) For permanent partial disability resulting from injury to any internal organ, including the heart,  $66\frac{2}{3}$  percent of the daily wage at time of injury for that proportion of 500 weeks which is represented by the percentage of *his general physical disability resulting from* such permanent partial disability as is determined from competent testimony adduced at a hearing before a compensation judge, a commissioner, or the commission;

(41) For disfigurement or scarring not resulting from the loss of a member or other injury specifically compensated, affecting the employability or advancement opportunity of the injured person in the employment in which he was injured or other employment for which the employee is then qualified or for which the employee has become qualified, 66 $\frac{2}{3}$  percent of the daily wage at the time of injury during such period as the compensation judge or the commission in cases on appeal determines, not beyond 90 weeks;

(42) For permanent partial disability resulting from injury to the back, 66 $\frac{2}{3}$  percent of the daily wage at the time of injury for that proportion of 350 weeks which is represented by the percentage of such permanent partial disability as is determined from competent testimony adduced at a hearing before a compensation judge, a commissioner, or the commission;

(43) When an employee sustains concurrent injuries resulting in concurrent disabilities he shall receive compensation only for the injury which entitled him to the largest amount of compensation, but this does not affect liability for disfigurement affecting the employability of the injured person or liability for the concurrent loss of more than one member, for which members compensations are provided in the specific schedule and in subdivision 5;

(44) In all cases of permanent partial disability it is considered that the permanent loss of the use of a member is equivalent to and draws the same compensation as the loss of that member, but the compensation in and by this schedule provided shall be in lieu of all other compensation in such cases, except as otherwise provided by this section;

In the event a worker has been awarded, or is entitled to receive, a compensation for loss of use of a member under any workers' compensation law, and thereafter sustains a loss of such member under circumstances entitling him to compensation therefor under the workers' compensation act, as amended, the amount of compensation awarded, or that he is entitled to receive, for such loss of use, is to be deducted from the compensation due under the schedules of this section for the loss of such member, provided, that the amount of compensation due for the loss of the member caused by the subsequent accident is in no case less than 25 percent of the compensation payable under the schedule of this section for the loss of such member;

(45) In cases of permanent partial disability due to injury to a member, resulting in less than total loss of the member, not otherwise compensated in this schedule, compensation shall be paid at the prescribed rate during that part of the time specified in the schedule for the total loss of the member which the extent of the injury to the member bears to its total loss;

(46) In cases of permanent partial disability caused by simultaneous injury to two or more members, the applicable schedules in this subdivision shall be increased by 15 percent. This clause shall not apply when the injuries are compensated under paragraphs 22 to 37 inclusive, of this subdivision. In cases of partial disability due to injury to both eyes resulting in less than total loss of vision in one or both eyes compensation shall be paid at the prescribed rate during that part of

450 weeks which the extent of the combined injury to both eyes bears to the complete loss of industrial vision;

(47) The commissioner of the department of labor and industry with the commission may make or revise rules for the determination of the extent of the impairment of the industrial use of one or both eyes taking into account all primary coordinate factors of vision. These rules shall be made or revised after consultation with experts on industrial vision and after public notice to and hearing of interested parties;

(48) For permanent partial disability resulting from injury to the body as a whole due to burns, 66<sup>2</sup>/<sub>3</sub> percent of the daily wage at the time of injury, for that proportion of 350 weeks which is represented by the percentage of such permanent partial disability as is determined from competent testimony adduced at a hearing before a compensation judge, a commissioner or the commission, said compensation to be paid in addition to such compensation as employee would otherwise be entitled to for loss of use to a member in accordance with this section;

(49) In all cases of permanent partial disability not enumerated in this schedule the compensation shall be 66<sup>2</sup>/<sub>3</sub> percent of the difference between the daily wage of the worker at the time of the injury and the daily wage he is able to earn in his partially disabled condition, subject to a maximum of \$100 per week, and continue during disability, not to exceed 350 weeks; and if the employer does not furnish the worker with work which he can do in his permanently partially disabled condition and he is unable to secure such work with another employer after a reasonably diligent effort, the employee shall be paid at his or her maximum rate of compensation for total disability.

Sec. 2. [EFFECTIVE DATE.] *This act shall apply to all injuries occurring on or subsequent to the day following its final enactment.*"

Amend the title as follows:

Page 1, line 16, strike "1974" and insert ", 1975 Supplement"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was re-referred

S. F. No. 1819: A bill for an act relating to appropriations; providing funding for the continued operation of detached worker programs for assistance to young people.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "committee" and insert "commission"

Page 1, line 15, strike "\$. . . . . to the program operating"

Page 1, line 16, strike "in the city of Minneapolis,"

Page 1, line 17, strike "northeastern" and insert "northwestern"

Page 1, line 19, strike "appropriation" and insert "grant-in-aid"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2037: A bill for an act relating to medicine and osteopathy; authorizing continuing education requirements for licensed practitioners; amending Minnesota Statutes 1974, Chapter 147, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "may" insert "by rule"

Page 1, line 12, strike "20 hours of" and insert "150"

Page 1, line 13, strike "continuing education per year or 60"

Page 1, line 14, after "establishing" insert "the"

Page 1, line 18, strike "classes" and insert "specialties"

Page 1, line 20, after "after" insert "a"

Page 1, line 22, strike "completing"

Page 1, line 22, after "with" insert "the"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1861: A bill for an act relating to elections; affecting the place and time of voter registration; amending Minnesota Statutes 1974, Section 201.091, Subdivision 6.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1981: A bill for an act relating to veterans affairs; applications for adjusted compensation; establishing an application time limit; extending the appropriation expiration date; amending Minnesota Statutes, 1975 Supplement, Section 197.973; and Laws 1975, Chapter 3, Section 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2023: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2024: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2070: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2151: A bill for an act relating to motor vehicles; registration and taxation; exempting certain vehicles from license fees; amending Minnesota Statutes, 1975 Supplement, Section 168.012, Subdivision 2b.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2172: A bill for an act relating to highways; designating and establishing the route of the "Glacial Ridge Trail"; amending Minnesota Statutes 1974, Section 161.14, Subdivision 15.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

**S. F. No. 2233: A bill for an act relating to private cemeteries; recovery of abandoned lots; amending Minnesota Statutes 1974, Chapter 307, by adding a section.**

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

**S. F. No. 2318: A bill for an act relating to highways; providing for the construction and maintenance of acoustical barriers along the perimeter of certain trunk highways; amending Minnesota Statutes, 1975 Supplement, Section 161.125.**

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

**H. F. No. 525: A bill for an act relating to state government; creating a department of transportation; prescribing its duties and responsibilities; transferring the functions of some state departments; appropriating money; amending Minnesota Statutes 1974, Sections 43.09, Subdivision 2a; and 360.017, Subdivision 1; repealing Minnesota Statutes 1974, Sections 4.20; 161.03; and 360.114.**

Reports the same back with the recommendation that the bill be amended as follows:

Amend the report of the Committee on Governmental Operations, adopted by the Senate February 2, 1976, as follows:

Page 1, strike lines 20 and 21

Page 2, strike lines 1 and 2 and insert: "*The governor may remove the commissioner at any time for cause after notice and hearing.*"

Strike the amendment to page 3, line 31, made by the committee on Transportation and General Legislation, adopted by the Senate February 9, 1976

Page 113, strike all of section 120 and insert:

"Sec. 120. [APPROPRIATION.] *There is appropriated from the general fund to the commissioner of transportation the following amount:*

(a) *To organize the department* \$75,000

(b) *To initiate the study required by section 3, subdivision 3, clause (d)* \$75,000

*This appropriation is available upon his appointment and shall not lapse but shall remain available until fully expended."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 175: A bill for an act relating to corrections; increasing the scope of the jurisdiction and power of the ombudsman; preserving the rights of complainants; providing a penalty for persons hindering the ombudsman; removing an expiration date; amending Minnesota Statutes 1974, Sections 241.42, Subdivision 2; 241.44, Subdivisions 1 and 3, and by adding a subdivision; and Chapter 241, by adding a section; repealing Minnesota Statutes 1974, Section 241.42, Subdivision 4; and Laws 1973, Chapter 553, Section 7.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 100: A bill for an act relating to cities and towns; providing for negotiation of contracts between cities, towns, and state departments and agencies for provision of fire and police protection services for state institutions, land and other property; and appropriating money.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 1587: A bill for an act relating to appropriations; appropriating money to fund a program of graduate training in family practice for physicians.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "\$96,000" and insert "\$24,000"

Page 1, line 13, strike "each" and insert "the"

Page 1, line 14, strike "program" and insert "foundation"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 1097: A bill for an act relating to health; providing for pilot programs for dental care for senior citizens; establishing means of administration; subsidizing premiums to cover cost of services; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [PURPOSE.] The purpose of the pilot dental program is to determine the need, the feasibility of establishing a statewide dental program for eligible senior citizens, the optimal methods of providing dental service, whether the provision of dental services causes the general health of the participants to be improved and whether the provision of dental services to the eligible senior citizens provides comparable benefits to society as if provided to others.

Sec. 2. [PILOT PROGRAMS; ESTABLISHMENT.] The state board of health shall establish two pilot programs to provide dental care to senior citizens. One pilot program shall be established in the metropolitan area, composed of Hennepin, Ramsey, Anoka, Washington, Dakota, Scott, and Carver counties; and one pilot program shall be established in an area selected by the state board of health and located outside of the seven metropolitan counties.

Sec. 3. [ADMINISTRATION.] The pilot programs shall be administered by the state board of health. The state board of health shall appoint a seven member advisory task force to advise the board on the operation of the pilot programs. All of the members of the advisory task force shall be senior citizens. The compensation of members, their removal from office, and the filling of vacancies shall be as provided in Minnesota Statutes, Section 15.059.

Sec. 4. [SERVICE CONTRACTS; REVIEW.] Subdivision 1. [SERVICE CONTRACTS.] For each pilot program, the board of health shall contract for the provision and financing of dental services under the terms set forth in this act. The board shall contract with an insurance company regulated under Minnesota Statutes, Chapter 62A, or a nonprofit health service plan corporation regulated under Minnesota Statutes, Chapter 62C, or a health maintenance organization established pursuant to Minnesota Statutes, Chapter 62D. The party or parties with whom the state board of health contracts shall be known as the dental carriers.

Subd. 2. [REVIEW.] The state board of health and the dental carriers shall monitor the pilot programs. Review of the extent and quality of dental service provided shall be done only by one or more licensed dentists.

Subd. 3. [EVALUATION AND REPORT.] The state board of health shall evaluate and report the results of the pilot programs to the legislature by January 2, 1978, and each year thereafter for five years. The reports shall include but not be limited to: (a) the optimal methods of providing dental services including the cost effectiveness of each pilot program; (b) the effect, if any, upon the general health of the individual receiving the dental services; (c) the extent and quality of dental services provided by the pilot program; (d) the number of participants in each pilot program; and (e) the types of dental care most used or needed by the participants.

Sec. 5. [ELIGIBILITY FOR BENEFITS.] Subdivision 1. The board of health shall select participants for each pilot program from among the applicants who meet the eligibility criteria set forth in subdivision 2. At least ten percent of the senior citizens selected by the board for participation in each pilot program must be residents of a nursing home.

Subd. 2. [FULL SUBSIDY.] The full cost of premiums for participation in a pilot program shall be paid by the board of health for individuals who live in the area to be serviced by a pilot program and who:

(a) Are not eligible to receive dental services or reimbursement for dental services under any other program authorized by law, or who do not have coverage for dental services from an insurance company, a nonprofit service plan corporation, or a health maintenance organization; and

(b) Are retired and aged 62 or over; and

(c) Have an annual net income of less than \$3,500 if single, or \$4,500 if married. These maximum figures shall be semi-annually adjusted in proportion to the increase in the consumer price index as determined by the United States Department of Labor for the Minneapolis-St. Paul metropolitan area.

Sec. 6. [SERVICES AND PAYMENT.] Subdivision 1. [SERVICES COVERED.] Services to be made available to participants in each pilot program shall include the following if provided or prescribed by a licensed dentist:

(a) routine examinations,

(b) x-rays,

(c) emergency treatment for relief of pain,

(d) restorative services,

(e) oral surgery, including preoperative and postoperative care,

(f) surgical and nonsurgical periodontics,

(g) endodontics, including pulpal therapy and root canal filling, and

(h) prosthetics.

Subd. 2. [PAYMENT.] The cost of the dental services, equal to at least 80 percent of the usual, customary and reasonable fee of the treating dentist, will be paid by the dental carrier, with no deductible amount. Participants shall be responsible for the remaining 20 percent of the fee and for any amounts in excess of the limits set forth in subdivision 3.

Subd. 3. [LIMITATION.] No services shall be provided nor shall any payment be made by a dental carrier in excess of \$500 per participant per year.

Sec. 7. [FINANCIAL REQUIREMENTS.] Subdivision 1. The state board of health shall have access to all financial data of each dental carrier relating to the pilot programs.

Subd. 2. [PROFIT.] Any amount of profit earned by a dental carrier over ten percent of the total annual premiums, after payment of claims and administrative expenses, shall be returned by the dental carrier to the state board of health.

Sec. 8. [OUTSIDE FUNDING.] The state board of health shall investigate the availability of additional public and private funding for

the purposes of this act. The state board of health may solicit and accept, on behalf of the pilot programs established pursuant to this act, contributions, gifts, and grants from any public or private sources.

Sec. 9. [APPROPRIATION.] There is appropriated from the general fund of the state treasury the sum of \$400,000 to the state board of health for the biennium ending June 30, 1977, for the purposes of this act.

Sec. 10. This act shall expire June 30, 1977."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 612: A bill for an act relating to retirement; withdrawal of share values by members of the unclassified employees retirement program; amending Minnesota Statutes 1974, Section 352D.05, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike "1974" and insert ", 1975 Supplement"

Page 1, lines 9 to 11, strike the new language

Page 1, line 11, strike "qualified person" and insert "participant"

Page 1, line 18, after "subdivision 1." insert "*The provisions of this subdivision shall apply to any person with 42 months or more of service in the unclassified service and employer shares credited to his account with respect to that service, who terminated service prior to July 1, 1973.*"

Amend the title as follows:

Page 1, line 5, strike "1974" and insert ",1975 Supplement"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2122: A bill for an act relating to energy conservation; establishing an energy conservation information center; requiring the commissioner of administration to complete certain energy conservation modifications to state buildings; authorizing the commissioner of administration to promulgate rules concerning energy conservation physical improvements for public school, city, and county buildings; requiring the inspection of certain public buildings; authorizing the issuance of bonds for energy conservation improvements; appropriating money; amending Minnesota Statutes 1974, Chapters 116H, by adding sections; and 120, by adding sections; and Sections 116H.12, by adding subdivisions; and 120.78, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

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

Sec. 2. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

*Subd. 10. Before January 1, 1980, the commissioner of administration, in cooperation with the director, shall survey all buildings owned by the state of Minnesota which are heated by oil or interruptable natural gas units, including buildings and associated facilities of the state university system, the community college system, the Minnesota historical society building and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, or highways, to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications, or changes in building structures and systems. If the commissioner determines, based upon a formula specified by the director, that a modification is economically feasible, in that estimated savings in fuel procurement cost will exceed the cost of the modification amortized over the remaining useful life of the building, he shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. Before January 1, 1977, the commissioner shall submit a progress report to the legislature indicating the number and percentage of state-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, and his preliminary findings, recommendations, and priorities for implementing the economically feasible modifications based upon the continuing survey.*

Sec. 3. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

*Subd. 11. Before January 1, 1980, the university of Minnesota, after consultation with the director, shall survey all buildings and associated facilities of the university of Minnesota which are heated by oil or interruptable gas units to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications, or changes in building structures and systems. If the university determines, based upon a formula specified by the director, that a modification is economically feasible, in*

*that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. Before January 1, 1977, the university shall submit a progress report to the legislature indicating the number and percentage of university-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications based upon the continuing survey.*

Sec. 4. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

**[116H.121] [ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS.]** *Before July 1, 1977, the commissioner of administration, in consultation with the director, shall amend the rules concerning heat loss, illumination, and climate control standards promulgated pursuant to Minnesota Statutes, 1975 Supplement, Section 116H.12, Subdivision 4, to apply to all existing buildings heated by oil or interruptable gas units owned by the state, the university of Minnesota, any city, any county, and any school district.*

Sec. 5. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

**[116H.122] [INSPECTIONS AND FUEL COST ESTIMATES.]** *Before July 1, 1978, each city council and county board of commissioners shall complete an inspection of all existing city-owned or county-owned buildings within their respective jurisdictions. The inspection shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 4 of this act. A council or board may contract with any municipal building official appointed pursuant to Minnesota Statutes, Section 16.861, or the state building inspector to perform the energy conservation inspection. Each board and council shall estimate, based upon a formula specified by the director, the annual potential savings in fuel procurement costs for existing heating and cooling systems which would be realized for each county or city-owned building if it were improved to comply with the energy conservation standards.*

Sec. 6. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

**[116H.123] [AUTHORIZED IMPROVEMENT.]** *A city council or county board of commissioners shall authorize any necessary improvements to insure compliance with the energy conservation standards if, based upon a formula specified by the director, the estimated savings in fuel procurement costs after the proposed improvements to a building are completed exceeds the estimated installation or remodeling costs amortized over the remaining useful life of the building. Each council or board shall file the ener-*

*gy conservation inspection and estimated fuel procurement data for each city or county-owned building within its respective boundaries with the director of the Minnesota energy agency before December 31, 1978, for his review and comment.*

Sec. 7. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

*[116H.124] [FINANCING.] The installation of weatherstripping, the retrofitting or upgrading of insulation, or the modification of existing heating, ventilation, and cooling systems authorized pursuant to section 6 of this act shall be financed by the issuance of obligations in the manner and form prescribed by Minnesota Statutes, Chapter 475. The obligations may be issued only after obtaining the approval of the majority of the electors voting on the question of issuing obligations at a special or regular election. The obligations shall not be included in the computation of the net debt limitations of any city or county. Any city or county should immediately report the results of any election on the question of the issuance of obligations for the above purposes to the director.*

Sec. 8. Minnesota Statutes 1974, Section 120.78, is amended by adding a subdivision to read:

*Subd. 3. Before November 15, 1976, the commissioner of education shall analyze the reports and plans required in subdivisions 1 and 2 and submit a report to the legislature concerning the energy efficiency of school buildings owned or operated by all school districts and recommend proposed legislation concerning energy conservation measures for school buildings.*

Sec. 9. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

*[120.781] [INSPECTIONS.] Before July 1, 1978, each board shall complete an inspection of all existing public school buildings which it owns or operates that are heated by oil or interruptable gas units in order to determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 4 of this act. The results of the energy conservation inspection shall be recorded on a form furnished by the director of the Minnesota energy agency. A board may contract with any municipal building official appointed pursuant to Minnesota Statutes, Section 16.861 or the state building inspector to perform the energy conservation inspection. Each board shall estimate the annual savings in fuel procurement costs for existing heating and cooling systems which would be realized for each public school building within the district if it were improved to comply with the energy conservation standards, based upon a formula specified by the director of the Minnesota energy agency.*

Sec. 10. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

[120.782] [AUTHORIZED IMPROVEMENTS.] *A board shall authorize any necessary improvements to insure compliance with the energy conservation standards if, based upon a formula specified by the director of the Minnesota energy agency, the estimated savings in fuel procurement costs after the proposed improvements to a building are completed exceed the estimated installation or remodeling costs of the improvement amortized over the remaining useful life of the building. Each board shall file the energy conservation inspection and estimated fuel procurement data for each public school building within the district with the director of the Minnesota energy agency before December 31, 1978, for his review and comment.*

Sec. 11. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

[120.783] [FINANCING.] *If a board determines that the proceeds of the levy permitted under Minnesota Statutes, Section 124.04, and the balance in the capital outlay fund are sufficient to complete all the improvements authorized pursuant to section 10 of this act in order to comply with the energy conservation standards, the board shall by January 1, 1980, enter contracts to complete all the authorized improvements. If a board determines that the proceeds of the levy permitted under Minnesota Statutes, Section 124.04 and the balance in the capital outlay fund are insufficient to complete all the improvements authorized pursuant to section 10 of this act, then the board shall apply to the commissioner for permission to issue obligations in the manner and form prescribed by Minnesota Statutes, Chapter 475, in the amount of the authorized improvements. The obligations may be issued only after obtaining the approval of the majority of the electors voting on the question of issuing obligations at a regular or special election. Each school district shall immediately report the results of any election on the question of issuing obligations for the above purposes to the commissioner and the director of the energy agency. These obligations shall not be included in the computation of any net debt limitations.*

Sec. 12. [APPROPRIATION.] *There is appropriated from the general fund \$158,000 to the commissioner of administration, \$8,000 for promulgation of the rules required by section 4 of this act, and \$150,000 to comply with section 2 of this act. There is appropriated from the general fund \$100,000 to the director of the Minnesota energy agency, \$50,000 to establish and maintain the energy conservation information center pursuant to section 1, and \$50,000 to contract for infrared aerial photographs, at least 50 percent of which shall be conducted outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2. These appropriations shall not cancel and shall be available until completely expended.*

Sec. 13. *This act is effective the date following its final enactment.*"

Amend the title on line 9, after "school," insert "state,"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2175: A bill for an act relating to medical assistance for the needy; allowing the cost of certain home care services provided by public health nurses to be paid by medical assistance; authorizing an experimental program for the cost of home care of the elderly; amending Minnesota Statutes 1974, Chapter 256B, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 256B.02, Subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, strike "*signed*"

Page 1, line 23, after "*statement*" insert "*submitted under oath*"

Page 2, line 6, after "*services*" insert "*which would normally be*"

Page 2, line 10, after "*elderly*" insert "*or physically disabled*"

Page 2, line 12, after "*are*" insert "*physically disabled or*"

Page 2, line 12, after "*older*" insert "*, and*"

Page 2, line 20, after "*expenses*" insert a comma

Page 2, strike line 28

Amend the title as follows:

Page 1, line 6, after "*the*" and before "*elderly*" insert "*physically disabled or*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1078: A bill for an act relating to real estate; requiring certain real estate developers to comply with trust account requirements; amending Minnesota Statutes, 1975 Supplement, Section 82.18.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1967: A bill for an act relating to trusts; administration of express trusts by cities; amending Minnesota Statutes 1974, Section 501.11.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2251: A bill for an act relating to crime victims reparations; authorizing a claim to be filed within one year of the time when it could have been reasonably made; amending Minnesota Statutes 1974, Section 299B.03, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 5, strike "*reasonably*"

Page 2, line 8, strike "*reasonably*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2227: A bill for an act relating to negligence; civil actions; establishing the rule of pure comparative recovery negligence; amending Minnesota Statutes 1974, Section 604.01, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, reinstate "*negligence*"

Page 1, line 10, strike "*fault*"

Page 1, line 17, strike "*culpability*" and insert "*responsibility*"

Page 1, line 19, strike "*a*"

Page 1, line 20, reinstate "*verdicts*"

Page 1, line 20, strike "*verdict*"

Page 1, line 21, strike "*allowed*" and insert "*sustained by*"

Page 1, line 22, strike "*culpability*" and insert "*responsibility*"

Page 1, line 22, reinstate "*party*"

Page 1, line 23, before "The" insert "*To calculate the damages to be awarded each claimant,*"

Page 1, line 23, strike "the amount of" and insert "*each claimant's sustained*"

Page 2, line 1, strike "*allowed each claimant*"

Page 2, line 2, strike "*culpability*" and insert "*responsibility*"

Page 2, line 7, strike "*culpability*" and insert "*responsibility*"

Amend the title as follows:

Page 1, line 3, strike "recovery" and insert "responsibility"

Page 1, line 4, strike "negligence"

And when so amended the bill do pass. Mr. Blatz questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1673: A bill for an act relating to the operation of state government; authorizing the commissioner of administration to acquire vehicles for the car pooling of state employees; appropriating money; amending Minnesota Statutes 1974, Section 16.755.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. In order to conserve energy and to alleviate traffic congestion in and about the location of state offices, the commissioner of administration shall, in cooperation with the director of the Minnesota energy agency, the commissioner of highways and interested non-profit agencies, establish and operate an employee transportation program utilizing commuter vans with a capacity of not less than seven nor more than 12 passengers. The commissioner shall acquire or lease commuter vans, or otherwise contract for the provision of commuter vans, and shall make the vans available for the use of state employees in a manner consistent with standards and procedures adopted by the commissioner. Standards and procedures adopted pursuant to this section shall not be subject to chapter 15. Commuter vans may be used by state employees to travel between their homes and their work locations, and for personal purposes after working hours, not including partisan political activity. The commissioner shall provide in his standards and procedures for the recovery by the state of vehicle acquisition, lease, operation and insurance costs through efficient and convenient assignment of vans, and for the billing costs and collection of fees. A state employee using a van for personal use shall pay, pursuant to the standards and procedures adopted by the commissioner, for operating and routine maintenance costs incurred as a result of the personal use. The commissioner shall promote the maximum practicable participation of state employees in the use of the vans. Fees collected pursuant to this section shall be deposited in the account from which costs of operating, maintaining and leasing or amortizing acquisition costs for the specific vehicle are paid.

Sec. 2. Use of the vans shall be limited to areas not having adequate public transportation between the residences of state employees and their places of employment. During the first year, the van program shall be implemented both in the seven-county metropolitan area and in one other region of the state.

Sec. 3. The program shall be evaluated after its first year of operation, and the commissioner of administration shall at that time recommend to the legislature whether the program should

be expanded or discontinued. The commissioner shall periodically inform the metropolitan council and the capitol area architectural and planning board on the operation of the program.

Sec. 4. Notwithstanding section 15.31 or any other law to the contrary, the commissioner of administration may purchase, pursuant to chapter 16, collision insurance coverage for the commuter vans. Notwithstanding sections 16.75, subdivision 7, and 168.012, the vans shall be marked in a manner to advertise that the vans are state employee commuter vans. The vans shall not be equipped with tax-exempt motor vehicle number plates.

Sec. 5. A vehicle being used for transporting state employees pursuant to this act shall not be deemed, for purposes of chapter 65B, a common carrier or a vehicle used in the for-hire transportation of persons or property. A driver or owner of a vehicle being used for transporting state employees pursuant to this act shall not be held to the standard of care applicable to drivers or owners of common carriers, nor shall they be subject to ordinances which relate exclusively to the regulation of drivers or owners of automobiles for hire or other common carriers.

Sec. 6. Minnesota Statutes 1974, Section 16.755, is repealed.

Sec. 7. This act is effective the day following final enactment and shall expire June 30, 1979."

Amend the title as follows:

Line 5, strike "amending" and insert "repealing"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2025: A bill for an act relating to nursing homes; requiring training for certain nursing assistants.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 5 through 18

Renumber subsequent sections

Page 2, line 1, after "nursing" and before "in" insert "services"

Page 2, line 6, after "home" insert "on or"

Page 2, line 6, strike "June 30, 1977" and insert "January 1, 1978"

Page 2, line 9, strike "30" and insert "90"

Page 2, line 10, after "the" insert "date of the"

Page 2, line 12, strike "no" and insert "a"

Page 2, line 12, strike "home's" and insert "home"

Page 2, line 12, after "shall" insert "not"

Page 2, line 13, after "the" and before "board" insert "state"

Page 2, line 14, after the period insert "The decision of the state board of health under this subdivision not to issue or renew a nursing home license shall be appealable under the provisions of Minnesota Statutes, Chapter 15."

Renumber the remaining section

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was re-referred

H. F. No. 610: A bill for an act relating to metropolitan government; providing for election of council members; amending Laws 1975, Chapter 13, Section 3, Subdivisions 2 and 3, and by adding subdivisions; and Minnesota Statutes 1974, Sections 10A.01, Subdivision 5; 10A.17, Subdivision 3; 10A.20, Subdivisions 3 and 5; 10A.21, Subdivision 1; 10A.22, Subdivision 5; and 10A.25, Subdivisions 2 and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 473.123, is amended to read:

473.123 [METROPOLITAN COUNCIL.] Subdivision 1. [CREATION.] A metropolitan council with jurisdiction in the metropolitan area consisting of the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, is created. It shall be under the supervision and control of 17 members, all of whom shall be residents of the metropolitan area. *Commencing on the first Monday of January, 1979, the council shall consist of 16 members.*

Subd. 2. [TERMS.] Commencing the first Monday in January, 1975, the council members shall be appointed by the governor from each of the districts described in subdivision 3. The terms of the members shall be as follows: members representing even numbered districts for terms ending the first Monday in January, 1977; , and then for terms ending the first Monday in January, 1979 and members representing odd numbered districts for terms ending the first Monday in January, 1979. ~~Thereafter the term of each member shall be for a term of four years and until his successor is appointed and qualified.~~

Members of the council serving as of the first Monday in January, 1975 shall continue to serve the district described in subdivision 3 in which they reside for the term herein prescribed for that district, provided that if more than one such member resides in the same district the governor shall designate one of them to serve as the council member from the district and the terms of the other members are thereupon terminated. The governor shall appoint as members of the council one resident of each

district described in subdivision 3 in which no present member of the council resides to serve for the term herein defined. For the purpose of this subdivision the residence of present members of the council serving as of the first Monday in January, 1975 shall be their residence as of July 1, 1974.

*Commencing with the general election in 1978, members of the council shall be elected, one from each district described in subdivision 3, to three year terms. Commencing with the uniform municipal election in 1981, members shall be elected in the following manner: members representing even-numbered districts shall be elected in 1981 for a four-year term and every four years thereafter; members representing odd-numbered districts shall be elected at the uniform municipal election in 1981 for a two-year term, and in 1983 for a four year term and every four years thereafter. An elective term for a member shall begin on the first Monday in January after election and continue until his successor is elected and qualifies.*

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

(1) The first council district consists of that part of the city of St. Paul described as follows: commencing at the intersection of the center line of University avenue with the west city limits, extending easterly along the center line of University avenue to the center line of Rice street, extending southerly along the center line of Rice street to the center line of Interstate 94, extending easterly along the center line of Interstate 94 to the center line of Summit avenue extended, extending southwesterly along the center line of Summit avenue extended and Summit avenue to the center line of Kellogg boulevard, extending southeasterly along the center line of Kellogg boulevard to the center line of Eagle street, extending southeasterly along the center line of Eagle street to the main channel of the Mississippi river, extending southwest-erly, westerly, and northerly along the main channel of the Mississippi river to the west city limits, and extending northerly along the west city limits to the point of origin.

(2) The second council district consists of that part of the county of Ramsey consisting of the cities of Lauderdale, Falcon Heights, and Roseville; and that part of the city of St. Paul described as follows: commencing at the intersection of the center line of University avenue with the west city limits, extending easterly along the center line of University avenue to the center line of Rice street, extending northerly along the center line of Rice street to the Burlington Northern railroad right of way, extending easterly along the Burlington Northern railroad right of way to the center line of Sylvan street, extending northerly along the center line of Sylvan street to the center line of Magnolia avenue west, extending easterly along the center line of Magnolia avenue west to the center line of Agate street, extending northerly along the center

line of Agate street to the center line of Jessamine avenue west extended, extending easterly along the center line of Jessamine avenue west extended to the center line of Interstate 35E, extending northerly along the center line of Interstate 35E to the north city limits, and extending westerly, southerly, westerly, southerly, westerly, northerly, westerly, and southerly along the city limits to the point of origin.

(3) The third council district consists of that part of the city of St. Paul described as follows: commencing at the intersection of the center line of Interstate 35E with the north city limits, extending southerly along the center line of Interstate 35E to the center line of Jessamine avenue west extended; extending westerly along the center line of Jessamine avenue west extended to the center line of Agate street, extending southerly along the center line of Agate street to the center line of Magnolia avenue west, extending westerly along the center line of Magnolia avenue west to the center line of Sylvan street, extending southerly along the center line of Sylvan street to the Burlington Northern railroad right of way, extending westerly along the Burlington Northern railroad right of way to the center line of Rice street, extending southerly along the center line of Rice street to the center line of Interstate 94, extending easterly along the center line of Interstate 94 to the center line of Summit avenue extended, extending southwestwardly along the center line of Summit avenue extended and Summit avenue to the center line of Kellogg boulevard, extending southeastwardly along the center line of Kellogg boulevard to the center line of Eagle street, extending southeastwardly along the center line of Eagle street to the main channel of the Mississippi river, extending southwestwardly along the main channel of the Mississippi river to the south city limits, extending easterly, northerly, easterly, southerly, easterly, southeastwardly, easterly, northerly, and westerly along the city limits to the point of origin.

(4) The fourth council district consists of that part of the county of Ramsey consisting of the town of White Bear; the cities of Arden Hills, Gem Lake, Little Canada, Mounds View, New Brighton, North Oaks, North St. Paul, Shoreview, and Vadnais Heights; that part of the city of White Bear Lake lying in the county of Ramsey; and that part of the city of Maplewood lying north of the center line of Larpenteur Avenue.

(5) The fifth council district consists of that part of the county of Hennepin consisting of the city of Robbinsdale; that part of the city of Golden Valley described as follows: commencing at the intersection of the center line of trunk highway No. 100 with the north city limits, extending southerly along the center line of trunk highway No. 100 to the Minnesota Western railroad right of way, extending easterly along the Minnesota Western railroad right of way to the east city limits, and extending northerly, westerly, northerly, and westerly along the city limits to the point of origin; and that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi river with the north city limits, extending southerly along the main channel of the Mississippi river to the Burlington Northern railroad right of way, extending southwestwardly along the Burlington Northern railroad right of way to the center line of Sixth street north extended, extending southeastwardly along the center line of Sixth street north extended and Sixth street north to the center

line of Hennepin avenue, extending southwesterly along the center line of Hennepin avenue to the center line of Franklin avenue west, extending westerly along the center line of Franklin avenue west to the center line of Lake of the Isles boulevard east, extending southerly along the center line of Lake of the Isles boulevard east to the center line of Lake Calhoun boulevard east, extending southerly along the center line of Lake Calhoun boulevard east to the center line of Lake street west, extending westerly along the center line of Lake street west to the west city limits, and extending northerly, easterly, northerly, and easterly along the city limits to the point of origin.

(6) The sixth council district consists of that part of the county of Hennepin consisting of that part of the city of St. Anthony lying in the county of Hennepin; and that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi river with the north city limits, extending southerly along the main channel of the Mississippi river to the Burlington Northern railroad right of way, extending southwesterly along the Burlington Northern railroad right of way to the center line of Sixth street north extended, extending southeasterly along the center line of Sixth street north extended and Sixth street north to the center line of Hennepin avenue, extending southwesterly along the center line of Hennepin avenue to the center line of Lincoln avenue extended, extending easterly along the center line of Lincoln avenue extended to the center line of Lyndale avenue south, extending southerly along the center line of Lyndale avenue south to the center line of Twenty-fourth street east, extending easterly along the center line of Twenty-fourth street east to the center line of Stevens avenue south, extending southerly along the center line of Stevens avenue south to the center line of Twenty-fifth street east, extending easterly along the center line of Twenty-fifth street east to the center line of Fifteenth avenue south, extending northerly along the center line of Fifteenth avenue south to the center line of Twenty-fourth street east, extending easterly along the center line of Twenty-fourth street east to the center line of Cedar avenue south, extending northerly along the center line of Cedar avenue south to the center line of Sixth street south; extending easterly along the center line of Sixth street south to the center line of Twenty-seventh avenue south extended, extending northerly along the center line of Twenty-seventh avenue south extended to the main channel of the Mississippi river, extending southeasterly along the main channel of the Mississippi river to the east city limits, and extending northerly, westerly, northerly, westerly, northerly, and westerly to the point of origin; and that part of the county of Ramsey consisting of that part of the city of St. Anthony lying in the county of Ramsey.

(7) The seventh council district consists of that part of the city of Minneapolis described as follows: commencing at the intersection of the center line of Lake street west with the west city limits, extending easterly along the center line of Lake street west to the center line of Lake Calhoun boulevard east, extending northerly along the center line of Lake Calhoun boulevard east to the center line of Lake of the Isles boulevard east, extending northerly along the center line of Lake of the Isles boulevard east to the center line of Franklin avenue west, extending easterly along the center line of Franklin avenue west to the center line of

Hennepin avenue, extending northeasterly along the center line of Hennepin avenue to the center line of Lincoln avenue extended, extending easterly along the center line of Lincoln avenue extended to the center line of Lyndale avenue south, extending southerly along the center line of Lyndale avenue south to the center line of Twenty-fourth street east, extending easterly along the center line of Twenty-fourth street east to the center line of Stevens avenue south, extending southerly along the center line of Stevens avenue south to the center line of Twenty-fifth street east, extending easterly along the center line of Twenty-fifth street east to the center line of Chicago avenue south, extending southerly along the center line of Chicago avenue south to the center line of Thirty-eighth street east, extending westerly along the center line of Thirty-eighth street east to the center line of Fourth avenue south, extending southerly along the center line of Fourth avenue south to the center line of Forty-second street east, extending westerly along the center line of Forty-second street east to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the center line of Forty-eighth street east extended, extending westerly along the center line of Forty-eighth street east extended and Forty-eighth street east to the center line of Nicollet avenue south, extending southerly along the center line of Nicollet avenue south to the center line of Fifty-seventh street east, extending easterly along the center line of Fifty-seventh street east and Fifty-seventh street east extended to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the south city limits, and extending westerly, northerly, westerly, and northerly to the point of origin.

(8) The eighth council district consists of that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi river with the east city limits, extending northwesterly along the main channel of the Mississippi river to the center line of Twenty-seventh avenue south extended, extending southerly along the center line of Twenty-seventh avenue south extended to the center line of Sixth street South, extending westerly along the center line of Sixth street south to the center line of Cedar avenue south, extending southerly along the center line of Cedar avenue south to the center line of Twenty-fourth street east, extending westerly along the center line of Twenty-fourth street east to the center line of Fifteenth avenue south, extending southerly along the center line of Fifteenth avenue south to the center line of Twenty-fifth street east, extending westerly along the center line of Twenty-fifth street east to the center line of Chicago avenue south, extending southerly along the center line of Chicago avenue south, to the center line of Thirty-eighth street east, extending westerly along the center line of Thirty-eighth street east to the center line of Fourth avenue south, extending southerly along the center line of Fourth avenue south to the center line of Forty-second street east, extending westerly along the center line of Forty-second street east to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the center line of

Forty-eighth street east extended, extending westerly along the center line of Forty-eighth street east extended and Forty-eighth street east to the center line of Nicollet avenue south, extending southerly along the center line of Nicollet avenue south to the center line of Fifty-seventh street east, extending easterly along the center line of Fifty-seventh street east and Fifty-seventh street east extended to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the south city limits, and extending easterly, northerly, easterly, and northerly to the point of origin.

(9) The ninth council district consists of that part of the county of Hennepin consisting of the Fort Snelling area; the city of Richfield; and that part of the city of Bloomington described as follows: commencing at the intersection of the center line of France avenue south with the north city limits, extending southerly along the center line of France avenue south to the center line of One Hundred Second street west, extending westerly along the center line of One Hundred Second street west to the center line of Johnson avenue, extending southerly along the center line of Johnson avenue to the Minneapolis, Northfield, and Southern railroad right of way, extending southwestwardly along the Minneapolis, Northfield, and Southern railroad right of way to the center line of Normandale boulevard, extending southerly along the center line of Normandale boulevard to the south city limits, extending easterly, northeasterly, westerly, northerly, and westerly along the city limits to the point of origin.

(10) The tenth council district consists of that part of the county of Hennepin consisting of the cities of New Hope, Crystal and St. Louis Park; and that part of the city of Golden Valley described as follows: commencing at the intersection of the center line of trunk highway No. 100 and the north city limits, extending southerly along the center line of trunk highway No. 100 to the Minnesota Western railroad right of way, extending easterly along the Minnesota Western railroad right of way to the east city limits, extending southerly, westerly, southerly, westerly, and northerly along the city limits to the center line of Olson Memorial highway, extending easterly along the center line of Olson Memorial highway to the center line of Winnetka avenue north, extending northerly along the center line of Winnetka avenue north to the north city limits, and extending easterly along the north city limits to the point of origin.

(11) The eleventh council district consists of that part of the county of Hennepin consisting of the cities of Edina, Medicine Lake, Minnetonka, Plymouth, Hopkins and Wayzata; and that part of the city of Golden Valley described as follows: commencing at the intersection of the center line of Winnetka avenue north and the north city limits, extending southerly along the center line of Winnetka avenue north to the center line of Olson Memorial highway; extending westerly along the center line of Olson Memorial highway to the west city limits, and extending northerly and easterly along the city limits to the point of origin.

(12) The twelfth council district consists of that part of the

county of Anoka consisting of the towns of Burns, Grow, Oak Grove, and Ramsey; the cities of Anoka, Bethel and St. Francis; and that part of the county of Hennepin consisting of the town of Hassan; the cities of Corcoran, Champlin, Dayton, Greenfield, Independence, Loretto, Maple Grove, Maple Plain, Medina, Minnetrista, Osseo, Rogers, St. Bonifacius, Brooklyn Center and Brooklyn Park; and that part of the cities of Hanover and Rockford lying in the county of Hennepin.

(13) The thirteenth council district consists of that part of the county of Anoka consisting of the town of Ham Lake; the cities of East Bethel, Hilltop, Columbia Heights, Coon Rapids, and Fridley; and that part of the city of Spring Lake Park and the city of Blaine lying in Anoka county; and that part of the county of Ramsey consisting of that part of the cities of Spring Lake Park and Blaine lying in the county of Ramsey.

(14) The fourteenth council district consists of the county of Washington; that part of the county of Anoka consisting of the towns of Columbus and Linwood; and the cities of Centerville, Circle Pines, Lexington, and Lino Lakes; that part of the county of Dakota consisting of the towns of Marshan, Nininger, and Ravenna; the city of Hastings; and that part of the county of Ramsey consisting of that part of the city of Maplewood lying south of the center line of Larpenteur avenue.

(15) The fifteenth council district consists of that part of the county of Dakota consisting of the towns of Castle Rock, Douglas, Egan, Empire, Eureka, Greenvale, Hampton, Randolph, Sciota, Vermillion, and Waterford; the cities of Apple Valley, Burnsville, Coates, Farmington, Hampton, Inver Grove Heights, Lilydale, Mendota, Mendota Heights, Miesville, New Trier, Randolph, Rosemount, Sunfish Lake, Vermillion, South St. Paul and West St. Paul.

(16) The sixteenth council district consists of the counties of Carver and Scott; that part of the county of Dakota consisting of the city of Lakeville; and that part of the county of Hennepin consisting of the cities of Deephaven, Eden Prairie, Excelsior, Greenwood, Long Lake, Minnetonka Beach, Mound, Orono, Shorewood, Spring Park, Tonka Bay, and Woodland; that part of the city of Chanhassen lying in the county of Hennepin; and that part of the city of Bloomington described as follows: commencing at the intersection of the center line of France avenue south with the north city limits, extending southerly along the center line of France avenue south to the center line of One Hundred Second street west, extending westerly along the center line of One Hundred Second street west to the center line of Johnson avenue south, extending southerly along the center line of Johnson avenue south to the Minneapolis, Northfield, and Southern railroad right of way, extending southwesterly along the Minneapolis, Northfield and Southern railroad right of way to the center line of Normandale boulevard, extending southerly along the center line of Normandale boulevard to the south city limits, and extending westerly, northerly, and easterly, along the city limits to the point of origin.

*Subd. 3a. [OATH OF OFFICE.] Each member of the council shall qualify by taking and subscribing the oath of office prescribed by the Constitution, Article 5, Section 6. The oath, duly certified by the official administering it, shall be filed with the secretary of the council.*

*Subd. 3b. [VACANCIES.] If the office of any elected member becomes vacant, a successor shall be selected by the council, to serve until after a member is elected at the next general election. The term of an elected successor shall commence on the day of the next regular meeting of the council following his election and continue for the remainder of the term of the elected member being replaced.*

*Subd. 3c. [ELECTIONS, PROCEDURE.] Any eligible person desiring to be a candidate for the council from any district shall file an affidavit of candidacy in the manner and within the time prescribed by section 202A.22 and pay a filing fee in the amount of \$20. The candidate shall state in his affidavit that on election day he will have resided within the state not less than one year and in the district from which he seeks election for not less than six months. The primary and general elections shall be conducted in accordance with the provisions of Minnesota election law. The names of the candidates shall be placed on a partisan ballot at the primary election and the names of the nominees at the primary election shall be placed on the official partisan ballot for the ensuing general election.*

*Subd. 4. [CHAIRMAN; APPOINTMENT, DUTIES.] (a) Until the first Monday in January, 1979, the chairman of the metropolitan council shall be appointed by the governor as the 17th voting member thereof by and with the advice and consent of the senate to serve at his pleasure. He shall be a person experienced in the field of municipal and urban affairs with administrative training and executive ability.*

*(b) Commencing the first Monday in January, 1979, the chairman shall be elected by the council members from among the members of the council. The chairman shall serve for a three-year term until the first Monday in January, 1981. Thereafter, the chairman shall serve for a two-year term.*

*(b) (c) The chairman of the metropolitan council shall preside at the meetings of the metropolitan council and shall act as principal executive officer. He shall organize the work of the metropolitan council, appoint all officers and employees thereof, subject to the approval of the metropolitan council, and be responsible for carrying out all policy decisions of the metropolitan council. His salary and expense allowances shall be fixed by the metropolitan council.*

*Subd. 5. [METROPOLITAN COUNCIL; DUTIES AND COMPENSATION.] The metropolitan council shall elect such officers as it deems necessary for the conduct of its affairs other than the chairman. A secretary and treasurer need not be members of the metropolitan council. Meeting times and places shall be fixed by the metropolitan council and special meetings may be called by a majority of the members of the metropolitan council or by*

the chairman thereof. Each metropolitan council member other than the chairman shall be paid a *per diem* compensation of \$50 for each meeting and for such other services as authorized by the metropolitan council at the same salary as state legislators, and shall be reimbursed for his reasonable expenses in the same manner and amount as state employees.

In the performance of its duties the metropolitan council may promulgate rules governing its operation, establish committees, divisions, departments and bureaus and staff the same as necessary to carry out its duties and when specifically authorized by law make appointments to other governmental agencies and districts. All officers and employees of the metropolitan council shall serve at the pleasure of the appointing authority in the unclassified service of the state civil service. Rules promulgated by the metropolitan council shall be in accordance with the administrative procedure provisions contained in chapter 15.

Subd. 6. [EXECUTIVE DIRECTOR.] Upon the recommendation of the chairman the metropolitan council may appoint an executive director to serve at his pleasure as the principal operating administrator for the metropolitan council. He may be chosen from among the citizens of the nation at large, and shall be selected on the basis of his training and experience in the field of municipal and urban affairs.

Sec. 2, Minnesota Statutes, 1975 Supplement, Section 473.141, Subdivision 3, is amended to read:

Subd. 3. [CHAIRMAN.] The chairman of each commission shall be appointed by the ~~governor~~ *chairman of the council* with the ~~advice and consent~~ *approval* of the ~~senate~~ *council* and shall be the ninth voting member of the commission and shall meet all qualifications established for members, except the chairman need only reside within the metropolitan area. The chairman shall preside at all meetings of the commission, if present, and shall perform all other duties and functions assigned to him by the commission or by law. Each commission may appoint from among its members a vice-chairman to act for the chairman during his temporary absence or disability.

Sec. 3, Minnesota Statutes, 1975 Supplement, Section 473.146, Subdivision 4, is amended to read:

Subd. 4. The metropolitan council shall be 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 in fulfillment of the planning responsibilities of the council and the commission.

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 473.249, Subdivision 1, is amended to read:

473.249 [TAX LEVY.] Subdivision 1. The metropolitan council may levy a tax on all taxable property in the counties named in section 473.121 to provide funds for the purposes of sections 473.121 to 473.249 , *and for the purpose of carrying out other responsibilities of the council as provided by law.* The tax shall not exceed ~~seven thirtieths~~ *three-tenths* of one mill on each dollar of assessed valuation of all such taxable property, and shall be levied and collected in the manner provided by section 473.08.

Sec. 5. Minnesota Statutes 1974, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination for election or election to any statewide office or legislative office, other than a federal office for which candidates are required to report under federal laws. The term candidate shall also include supreme court and district court judges of the state , *and an individual who seeks nomination for election or election to the metropolitan council .* An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his consent, implicit or explicit, for any other person to receive contributions or make expenditures in excess of \$100 with a view to bringing about his nomination for election or election to an office.

Sec. 6. Minnesota Statutes 1974, Section 10A.17, Subdivision 3, is amended to read:

Subd. 3. The treasurer or deputy treasurer of a political committee may make an authorization for petty cash in any reporting period of not more than \$100 per week for statewide elections and \$20 per week in legislative elections *and metropolitan council elections* to be used for miscellaneous expenditures.

Sec. 7. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for legislative candidates *and candidates for metropolitan council*, and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year of each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b);

(d) The name and address of each political committee, political fund or candidate from which the reporting committee or fund received, or to which that committee made, any transfer of funds, together with the amounts and dates of all transfers. The lists shall be in alphabetical order;

(e) Each loan to or from any person within the year in an aggregate amount or value in excess of \$100, together with the full names and mailing address, occupations and the principal places of business, if any, of the lender or endorsers, if any, and the date and amount of the loans;

(f) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (e);

(g) The total sum of all receipts by or for the political committee or political fund during the reporting period;

(h) The name, address, occupation and the principal place of business, if any, of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made;

(i) The sum of individual expenditures which is not otherwise reported under clause (h);

(j) The name, address, occupation and the principal place of business, if any, of each person to whom an expenditure for personal services, salaries, and reimbursable expenses in excess of \$100 has been made, and which is not otherwise reported, including the amount, date and purpose of the expenditure;

(k) The sum of individual expenditures for personal services, salaries and reimbursable expense which is not otherwise reported under (j);

(l) The total expenditures made by the political committee or political fund during the reporting period;

(m) The amount and nature of debts and obligations owed by or to the political committee or political fund, and a continuous reporting of their debts and obligations after the election until the debts and obligations are extinguished;

(n) The amount and nature of any contract, promise or agreement, in writing, whether or not legally enforceable, to make a contribution or expenditure;

(o) The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 8. Minnesota Statutes 1974, Section 10A.20, Subdivision 5, is amended to read:

Subd. 5. In any statewide election any contribution or contributions from a person or association totaling \$2,000 or more, or in any

legislative election *or metropolitan council election*, any contribution of \$200 or more, received after the period covered in the last report prior to an election and prior to the election shall be reported to the commission by telegram within 48 hours after its receipt and in the next required report.

Sec. 9. Minnesota Statutes 1974, Section 10A.21, Subdivision 1, is amended to read:

10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision 1. All reports or statements that must be filed with the commission by the principal campaign committee of legislative candidates *and candidates for metropolitan council* shall also be filed with the county auditor of each county in which the legislative *or metropolitan council* district lies.

Sec. 10. Minnesota Statutes 1974, Section 10A.22, Subdivision 5, is amended to read:

Subd. 5. A political committee or political fund making an expenditure, other than a transfer of funds, for or on behalf of more than one candidate for state or legislative office *or membership on the metropolitan council* shall allocate the expenditure among the candidates on a reasonable costs basis and report this allocation for each candidate. The treasurer shall retain for audit any documents supporting the allocation.

Sec. 11. *This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*"

Further, amend the title as follows:

Page 1, line 3, strike "Laws 1975,"

Page 1, strike line 4

Page 1, line 5, strike "by adding subdivisions; and"

Page 1, strike all of line 9 and insert "Minnesota Statutes, 1975 Supplement, Sections 473.123; 473.141, Subdivision 3; 473.146, Subdivision 4; and 473.249, Subdivision 1."

And when so amended the bill do pass. Mr. Renneke questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2210: A bill for an act relating to Red River watershed; authorizing watershed districts which are members of the lower Red River watershed management board to levy a tax; authorizing the management board to institute certain projects; allowing the board to enter certain intergovernmental agreements.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 8, strike "by assessment upon" and insert "in any manner permitted by Minnesota Statutes, Chapter 112"

Page 2, line 9, strike "benefitted properties"

Page 2, line 9, after "the" insert "limitations of"

Page 2, line 10, after "preliminary" insert "cost"

Page 2, line 10, strike "of costs for projects and works" and insert "specified in Minnesota Statutes, Section 112.48, Subdivision 4, shall not be applicable."

Page 2, strike lines 11 and 12

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2027: A bill for an act relating to natural resources; providing general condemnation power upon obtaining consent of landowner; amending Minnesota Statutes 1974, Section 84.027, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "determines" and insert "is authorized by law"

Page 1, line 11, strike "that it is necessary"

Page 1, line 13, strike "any" and insert ", that"

Page 1, line 14, strike "Any owner or owners consenting" and insert "This subdivision shall apply only in those situations where condemnation is not otherwise authorized for the acquisition."

Page 1, strike lines 15 and 16.

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2200: A bill for an act appropriating money to the commissioner of natural resources for mineland reclamation purposes.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2300: A bill for an act relating to livestock sanitation; providing indemnification to owners of condemned cattle by reason of being nonreactors to the brucellosis test, or by rea-

son of being exposed to brucellosis and not eligible for test; authorizing indemnity to owners of grade bulls slaughtered because of certain other dangerous diseases; amending Minnesota Statutes 1974, Section 35.09, Subdivision 2, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 9, strike "\$1,000" and insert "\$600"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2362: A bill for an act relating to counties; changing lands subject to county control; amending Minnesota Statutes 1974, Section 394.24, Subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1859: A bill for an act relating to port authorities; authorizing port authorities to apply for and exercise the powers of a foreign trade zone; amending Minnesota Statutes 1974, Section 458.192, Subdivision 1, and by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2355: A bill for an act relating to state employees; limiting severance allowances for certain employees; amending Minnesota Statutes, 1975 Supplement, Section 43.224.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1624: A bill for an act relating to housing and redevelopment; redefining powers of local housing and redevelopment authorities in carrying out legislation; making loans and grants and renting housing to tenants; amending Minnesota Statutes 1974, Sections 462.445, Subdivisions 4 and 9; and 462.475, Subdivision 1; repealing Minnesota Statutes 1974, Section 462.501, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1974, Section 462.425, Subdivision 6, is amended to read:

Subd. 6. [APPOINTMENT; APPROVAL; TERM; VACANCY.] The commissioners constituting an authority shall be appointed by the mayor, with the approval of the governing body. Those initially appointed shall be appointed for terms of one, two, three, four, and five years, respectively. Thereafter all commissioners shall be appointed for five-year terms. Each vacancy in an unexpired term shall be filled in the same manner in which the original appointment was made. *The council of any municipality which appoints members of the city council as commissioners may set the terms of office of the commissioner to coincide with his term of office as a council member.*"

Pages 5 to 8, strike sections 2 and 3

Page 8, after line 10, insert:

"Sec. 4. *This act shall be effective the day after final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "permitting coinciding terms of office for city council members of a municipality who are appointed commissioners of a municipal housing and redevelopment authority;"

Page 1, line 4, strike "making"

Page 1, strike line 5

Page 1, line 6, after "Sections" insert "462.425, Subdivision 6; and"

Page 1, line 7, strike "Subdivisions 4 and 9" and insert "Subdivision 4"

Page 1, line 7, strike "and 462.475,"

Page 1, line 8, strike "Subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy, from the Committee on Labor and Commerce, to which was re-referred

H. F. No. 290: A bill for an act relating to sex discrimination; abolishing discrimination on the basis of sex in certain insurance laws; amending Minnesota Statutes 1974, Sections 61A.12, Subdivisions 2 and 4; 62A.041; 62C.14, Subdivision 5a; 69.40; 69.41; and 69.48.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 19, strike "1975" and insert "1976"

Page 2, line 30, strike "1975" and insert "1976"

Page 3, line 19, strike "1975" and insert "1976"

Page 4, strike section 5, and insert:

"Sec. 5. Minnesota Statutes, 1975 Supplement, Section 69.40, is amended to read:

69.40 [PAYMENTS.] The amount so paid to a relief association by the state and each city under the provisions of sections 69.25 to 69.53, and by it set aside and deposited as a special fund, shall be appropriated and disbursed by the association for the following purposes:

(1) For the relief of sick, injured and disabled members of the relief association, their ~~widows~~ *surviving spouses* and orphans; and

(2) For the payment of disability and service pensions to members of the relief association; and

(3) For the expenses of such association as authorized by the board of trustees of any such association of any city now or hereafter having 75,000 inhabitants or more and less than 150,000 inhabitants; and

(4) For the administrative expenses of the association directly related to the operation of the fund including necessary travel, as authorized by the board of trustees of the association of any city now or hereafter having 400,000 or more inhabitants.

Amend the title as follows

Page 1, line 6, strike "69.40;"

Page 1, line 6, strike "and"

Page 1, line 6, after "69.48" insert "; and Minnesota Statutes, 1975 Supplement, Section 69.40"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1619: A bill for an act relating to intoxicating liquors; repealing certain obsolete provisions; increasing the penalty for selling or giving away poisonous liquor; amending Minnesota Statutes 1974, Sections 340.71 and 340.942; repealing Minnesota Statutes 1974, Sections 340.38; 340.70; 340.73; 340.76; 340.77; 340.78; 340.79; 340.80; 340.81; 340.83; 340.87; 340.88; 340.89; 340.90; 340.91; 340.92; and 340.93.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 13, strike "340.73;" and "340.78;"

Page 2, line 14, strike "340.81;"

Amend the title as follows

Page 1, line 7, strike "340.73;"

Page 1, line 8, strike "340.78;" and "340.81;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1927: A bill for an act relating to no fault automobile insurance; clarifying the definition of motor vehicle; providing penalties against motorcycle owners who violate the no fault insurance act; amending Minnesota Statutes 1974, Section 65B.67, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2254: A bill for an act relating to unemployment compensation; providing that an individual who has voluntarily left or indefinitely separated from employment with a school and is hired for the next school year by another school may not collect benefits during the period between successive school years; amending Minnesota Statutes, 1975 Supplement, Section 268.08, Subdivision 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1875: A bill for an act relating to health; restricting persons who may administer anesthesia; licensing registered nurses to administer anesthesia; providing for temporary permits and extended time for compliance; amending Minnesota Statutes 1974, Section 148.171; and Chapters 145, by adding a section; and 148 by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 145, is amended by adding a section to read:

[145.401] [PERSONS WHO MAY ADMINISTER ANESTHESIA.]  
*No person may administer anesthesia to another person unless he possesses a current license in this state in an occupation permitting the administration of anesthesia, or has been trained as a physician's assistant in anesthesia in a program approved by the board of medical examiners by rule. A physician's assistant in anesthesia may administer anesthesia only under the direct supervision of an anesthesiologist authorized to practice in this state. A registered nurse anesthetist may administer anesthesia only under the supervision of a licensed physician, osteopath or dentist. Students enrolled in and currently attending schools of licensed occupations permitting the administration of anesthesia are*

*permitted to administer anesthesia under the supervision of a licensed physician, osteopath, or dentist.*

Sec. 2. Minnesota Statutes 1974, Section 148.171, is amended to read:

148.171 [DEFINITIONS.] *Subdivision 1.* As used in sections 148.-171 to 148.285 the following terms shall have the meaning given:

~~(1)~~ *The term Subd. 2. "Board" shall mean Minnesota board of nursing.*

~~(2)~~ *The term Subd. 3. "Registered nurse" abbreviated R.N., shall mean a natural person licensed by the Minnesota board of nursing to practice professional nursing.*

~~(3)~~ *Subd. 4. The practice of professional nursing means the performance for compensation or personal profit of the professional interpersonal service of: (a) providing a nursing assessment of the actual or potential health needs of individuals, families, or communities; (b) providing nursing care supportive to or restorative of life by functions such as skilled ministrations of nursing care, supervising and teaching nursing personnel, health teaching and counseling, case finding and referral to other health resources; and (c) evaluating these actions.*

The practice of professional nursing includes both independent nursing functions and delegated medical functions which may be performed in collaboration with other health team members, or may be delegated by the professional nurse to other nursing personnel. Independent nursing function may also be performed autonomously. The practice of professional nursing requires that level of special education, knowledge, and skill ordinarily expected of an individual who has completed an approved professional nursing education program as described in section 148.211, subdivision 1.

*Subd. 5. "Registered nurse anesthetist" means a registered nurse licensed by the board of nursing to administer anesthesia.*

*Subd. 6. "Anesthesia" shall have the meaning prescribed by the board of health by rule.*

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 148.181, Subdivision 1, is amended to read:

148.181 [BOARD OF NURSING; MEMBERSHIP, APPOINTMENTS, VACANCIES, REMOVALS.] *Subdivision 1.* The board of nursing shall consist of 11 members appointed by the governor, each of whom shall be a resident of this state. Seven members shall be nurses; each of whom shall have graduated from an approved school of nursing; shall be licensed as a registered nurse in this state; shall have had at least five years experience in nursing following graduation. Four of the seven shall have had at least two years executive or teaching experience in nursing education and shall have been actively engaged in the practice of nursing within two years of appointment. *One of the seven shall be a registered nurse anesthetist.* The remaining four members shall be public members as defined for purposes of Laws 1973, Chapter 638. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as

provided in sections 214.07 to 214.09. Each member of the board shall file with the secretary of state the constitutional oath of office before beginning his or her term of office.

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 148.231, is amended to read:

148.231 [ADVISORY COUNCIL, CONTINUING EDUCATION REQUIREMENTS; REGISTRATION; NON-PRACTICING LIST.] Subdivision 1. [REGISTRATION.] Except for a person whose name is on the non-practicing list as provided in this section, every person licensed to practice professional nursing *and every registered nurse anesthetist* must also maintain with the board, a current registration for practice as a registered nurse *or registered nurse anesthetist* which must be renewed at regular intervals stipulated by the board by rule. Upon adoption by the board of rules ~~and regulations~~ establishing procedures and minimum requirements for successful completion of specified continuing education as hereinafter provided, no certificate of registration shall be issued by the board to a nurse until he or she has submitted satisfactory evidence of compliance with the procedures and minimum requirements established by the board.

The fee for periodic registration for practice as a registered nurse shall be determined by the board by rule. A penalty fee shall be added for any application received after the expiration date as specified by the board by rule. Upon receipt of the application and the required fees, the board shall verify the application and the evidence of completion of continuing education requirements in effect, and thereupon issue to such applicant a certificate of registration for the next renewal period.

Subd. 2. [ADVISORY COUNCIL.] The board of nursing shall appoint an advisory task force on registration consisting of 15 members, to study procedures and requirements for continuing education for nurses *and nurse anesthetists*, and to submit recommendations for rules to the board by January 1, 1977. The task force shall assist the board in evaluating the effects of the procedures and requirements and periodically recommending revision to the board. Members of the advisory council shall be registered nurses, no more than seven of whom shall live in Hennepin or Ramsey counties. At least three members from Hennepin and Ramsey counties and three of the other members shall be appointed by the board from lists submitted by professional nursing organizations in the state. Members of the task force shall be entitled to expenses in the same manner and amount as received by state employees. The task force shall expire January 1, 1978.

Subd. 3. [CONTINUING EDUCATION REQUIREMENTS.] Not later than January 1, 1978 the board shall by rule promulgate and thereafter periodically revise as it deems appropriate rules for: (a) the type and amount of continuing education directly related to nursing required for a registered nurse as a qualification for licensure or any registration to practice as a registered nurse; ~~and~~ (b) *the type and amount of continuing education directly related to the administration of anesthesia required for a registered nurse anesthetist as a qualification for licensure or any registration to practice as a registered nurse anesthetist*; and (c) the period of time authorized for applicants to meet the continuing education

requirements. In establishing the rules, the board may differentiate in the type, amount, and period for meeting the continuing education required of applicants.

Subd. 4. [FAILURE TO REGISTER.] Any person licensed under the provisions of sections 148.171 to 148.285 who fails to re-register within the period hereinbefore provided, shall be deemed delinquent and shall not be entitled to practice nursing in this state as a registered nurse or registered nurse anesthetist, until an application for renewal registration has been filed with the board accompanied by satisfactory evidence of compliance with the procedures and minimum requirements currently established by the board for continuing education and by a registration fee for each calendar year during which said applicant has failed to register, up to a maximum stipulated by the board by rule, and a certificate of re-registration issued to such person.

Subd. 5. [NON-PRACTICING LIST; RE-REGISTRATION.] A person licensed under the provisions of sections 148.171 to 148.285 who desires to retire from practice temporarily, shall send a written notice to the board. Upon the receipt of such the notice, the board shall place the name of such the person on the non-practicing list. While so remaining on this list, the person shall not be subject to the payment of any fees, and shall not practice nursing as a nurse or as a nurse anesthetist in this state. When such the person desires to resume practice he or she shall make application for re-registration, and submit satisfactory evidence of compliance with the procedures and minimum requirements established by the board for continuing education, and pay the registration fee for the current period to the board. Thereupon, the registration certificate shall be issued to such the applicant, and such person he or she shall immediately be placed on the practicing list as a registered nurse or registered nurse anesthetist.

Subd. 6. [FEE FOR LICENSE VERIFICATION.] A person licensed under the provisions of sections 148.171 to 148.285 who requests the board to verify such Minnesota license to another jurisdiction shall pay a fee as determined by board rule to the board for each verification.

Sec. 5. Minnesota Statutes 1974, Chapter 148, is amended by adding a section to read:

[148.235] [LICENSING REGISTERED NURSE ANESTHETISTS.] *Subdivision 1. [APPLICATION.] A person desiring a license as a registered nurse anesthetist shall submit to the board evidence that he has:*

- (a) *A current license as a registered nurse;*
- (b) *Completed a course of study in a school of nurse anesthesia approved by the board by rule; and*
- (c) *Successfully completed a national qualifying exam in a form approved by the board by rule.*

Subd. 2. [TEMPORARY PERMITS UNTIL LICENSE APPROVED.] *A person licensed or certified to administer anesthesia*

*in another jurisdiction and qualified for licensing as a registered nurse anesthetist in this state may apply to the board for a temporary permit for the period between application for a license in this state and approval of the application.*

Sec. 6. Minnesota Statutes, 1975 Supplement, Section 148.261, is amended to read:

148.261 [REVOCAION OF LICENSE.] Subdivision 1. The board shall have power pursuant to procedures specified in the administrative procedure act, unless otherwise permitted in this section, to deny, suspend, revoke, or restrict the license and registration of any person to practice professional nursing licensed or registered pursuant to sections 148.171 to 148.285, or to otherwise discipline a licensee or applicant upon proof that the person:

(1) Has employed fraud or deceit in procuring or attempting to procure a license to practice nursing as a registered nurse, the administration of anesthesia as a registered nurse anesthetist, or annual registration for the practice of professional nursing thereof;

(2) Has been convicted of a felony or gross misdemeanor;

(3) Is unfit or incompetent by reason of negligence, habits or other causes;

(4) Is habitually intemperate or is addicted to the use of habit-forming drugs;

(5) Has, in his or her professional capacity, exhibited behavior which creates an undue risk of harm to others;

(6) Is guilty of unethical practice of nursing;

(7) Has wilfully or repeatedly violated any of the provisions of sections 148.171 to 148.285.

Subd. 2. Before the board shall order any such suspension, restriction, disciplinary action or revocation it shall, on its own motion, cause an investigation to be made. It shall issue a citation under the seal of the board, signed by the executive director, directing and requiring the licensee to show cause on a day certain why his or her license and registration shall not be suspended, restricted or revoked on the grounds specified therein, and the person shall be given 20 days notice of the hearing. The board may without notice or hearing temporarily suspend the license and registration for not more than 30 days when any of the grounds of revocation, suspension or discipline designated in section 148.261, subdivision 1, are under investigation by the board, a citation has been issued by the board pursuant to this subdivision, and the board has determined that the practice of nursing or the administration of anesthesia by the person creates an imminent risk of harm to others. The board must schedule a hearing on a temporary suspension within ten days after the date of suspension. At any hearing under this section, the licensee shall be entitled to be represented by legal counsel. A hearing officer may preside at the hearing and a stenographic record shall be kept of the proceedings. The action of the board hereunder, affecting a license or registration, shall be subject to review in district court pursuant to sections 15.0424 to 15.0426.

Subd. 3. Any registered nurse or registered nurse anesthetist whose license or registration has been suspended, restricted or revoked, may have his license reinstated and a new registration issued when in the discretion of the board the action is warranted, provided that ~~such~~ *the* nurse may be required by the board to pay 50 percent of the costs of the proceedings resulting in the suspension or revocation of the license or registration certificate and reinstatement of the license or renewal certificate, and in addition thereto, pay the fee for the current year's registration.

Sec. 7. Minnesota Statutes, 1975 Supplement, Section 148.271, is amended to read:

148.271 [ALLOWABLE UNLICENSED PRACTICES.] The provisions of sections 148.171 to 148.285 shall not prohibit:

(1) The furnishing of nursing assistance in an emergency.

(2) The practice of nursing by any legally qualified nurse or *the practice of nurse anesthesia by any legally qualified nurse anesthetist* of another state who is employed by the United States government or any bureau, division or agency thereof while in the discharge of his or her official duties.

(3) Under the direct supervision of a registered nurse, the practice of nursing by a graduate of a school of professional nursing approved by the board between the date of graduation and the date of notification to ~~such~~ *the* graduate of the board action upon his or her application for licensure hereunder, provided that ~~such~~ *the* graduate will take the first examination for licensure hereunder following graduation given by the board and will be issued a permit by the board to engage in supervised practice of professional nursing while awaiting notification of the results of ~~such~~ *the* examination. The board is authorized to issue permits to ~~such~~ graduates which shall permit the practice of professional nursing under direct supervision from the date of graduation until the date that the board shall notify ~~such~~ *the* graduates of the results of their applications for registration conditioned upon ~~such~~ *the* graduates making prompt application for registration and taking the first examination given by the board which they are eligible to take following graduation. ~~Such~~ Permits issued under this clause shall not be renewable.

(4) Under the direct supervision of a licensed physician, osteopath or dentist, *the practice of nurse anesthesia by a graduate of a school of nurse anesthesia approved by the board between the date of graduation and the date of notification to the graduate of the board action upon his or her application for licensure hereunder, provided that the graduate will take the first examination for licensure hereunder following graduation as specified in section 5, subdivision 1, clause (c) of this act and will be issued a permit by the board to engage in supervised practice of nurse anesthesia while awaiting notification of the result of the examination. The board is authorized to issue permits to graduates which shall permit the practice of nurse anesthesia under direct supervision from the date of graduation until the date that the board shall notify the graduates of the results of their application for registration conditional*

*upon the graduates making prompt application for registration and taking the first examination given as specified in section 5, subdivision 1, clause (c) of this act which they are found eligible to take following graduation. Permits issued under this clause shall not be renewable.*

~~(4)~~ (5) The practice of any profession or occupation licensed by the state, other than professional nursing, by any person duly licensed to practice ~~such~~ *the* profession or occupation, or the performance by ~~such a~~ *the* person of any acts properly coming within the scope of ~~such a~~ *the* profession, occupation or license.

~~(5)~~ (6) The performance of any act in the nursing care of the sick by a nurse's aid under the direction of a registered nurse.

~~(6)~~ (7) The practice of nursing *or nurse anesthesia* by a person licensed as a professional nurse *or nurse anesthetist* in another jurisdiction and qualified for licensure in the state of Minnesota pursuant to a temporary permit issued by the board of nursing which permit shall be issued by the board pursuant to ~~such the~~ rules and regulations as it may promulgate, for the period between the submission of a proper application for licensure by ~~such the~~ person and the date of action upon ~~such the~~ application by the board.

~~(7)~~ (8) The care of the sick, injured or infirm in a private home by any person who does not assume or represent to be a registered or professional nurse.

*(9) The administration of anesthesia by a registered nurse who is enrolled in and currently attending a school of nurse anesthesia approved by the board, if the anesthesia is administered under the direct supervision of a licensed physician, osteopath, or dentist.*

Sec. 8. Minnesota Statutes, 1975 Supplement, Section 148.281, Subdivision 1, is amended to read:

148.281 [VIOLATIONS.] Subdivision 1. It shall be unlawful for any person, corporation, or association, to:

(1) Sell or fraudulently obtain or furnish any nursing diploma, license or record, or aid or abet therein;

(2) Practice professional nursing under cover of any diploma, license, or record illegally or fraudulently obtained or signed or issued unlawfully or under fraudulent representation;

(3) Practice professional nursing unless duly licensed and currently registered to do so under the provisions of sections 148.171 to 148.285;

(4) Use any abbreviation or other designation tending to imply licensure as a registered nurse unless duly registered and licensed so to practice professional nursing under the provisions of sections 148.171 to 148.285;

(5) Practice professional nursing in a manner prohibited by the board in any restriction of a license or registration issued under the provisions of sections 148.171 to 148.285;

(6) Practice professional nursing during the time his or her license or current registration issued under the provisions of sections 148.171 to 148.285 shall be suspended or revoked;

(7) Conduct a school of nursing for the training of persons to become registered nurses or professional nurses unless the school or course has been approved by the board ;

(8) *Administer anesthesia unless duly licensed and currently registered to do so under the provisions of sections 148.171 to 148.285, and unless the administration is under the direct supervision of a licensed physician, osteopath or dentist.*

Sec. 9. Minnesota Statutes 1974, Section 148.283, is amended to read:

148.283 [UNAUTHORIZED PRACTICE OF PROFESSIONAL NURSING.] The practice of professional nursing by any person who has not been licensed to practice professional nursing , or the administration of anesthesia by any person who has not been licensed to do so, under the provisions of sections 148.171 to 148.285, or whose license has been suspended or revoked, or has expired, is hereby declared to be inimical to the public health and welfare and to constitute a public nuisance. Upon complaint being made thereof by the board of nursing, or any prosecuting officer, and upon a proper showing of the facts, the district court of the county where such practice occurred may enjoin such acts and practice. ~~Such~~ *The* injunction proceeding shall be in addition to, and not in lieu of, all other penalties and remedies provided by law.

Sec. 10. *The provisions of this act shall be effective on August 1, 1976 as to all registered nurses licensed on or after that date. The provisions of this act shall not apply to registered nurses licensed before August 1, 1976 until August 1, 1979.*"

Further, amend the title as follows:

Page 1, line 6, strike "Section" and insert "Sections"

Page 1, line 6, after "148.171" and before the semicolon insert "and 148.283"

Page 1, line 6, after the semicolon insert "Minnesota Statutes, 1975 Supplement, Sections 148.181, Subdivision 1; 148.231; 148.261; 148.271; and 148.281, Subdivision 1;"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which were referred the following appointments as reported in the Journal for February 19, 1976.

#### POLLUTION CONTROL AGENCY

Mrs. Marion Watson

Joseph Grinnell

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2338: A bill for an act relating to education; appropriating money to Independent School District No. 518 for programs for handicapped children.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, after "children" insert "enrolled in Lakeview School at Worthington, Minnesota,"

Amend the title as follows:

Line 4, before the period insert "enrolled in Lakeview School at Worthington"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1942: A bill for an act relating to elections; providing for uniform reporting dates for campaign disclosure forms; providing for disclosure of campaign contributions and expenditures of political committees and candidates for local office; amending Minnesota Statutes 1974, Chapters 123, 373, and 471, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 210A.01, Subdivisions 1, 5, 6, 8, 9, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27, Subdivision 1; 210A.29; 210A.32; 210A.33; Chapter 210A, by adding sections; repealing Minnesota Statutes, 1975 Supplement, Sections 123.015; 210A.01, Subdivisions 4 and 7; 210A.22; 210A.28; and 210A.31.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination for election or election to any statewide ~~office or~~ legislative office or county office in any county or any city office in any city of more than 20,000 population, other than a federal office for which candidates are required to report under federal laws. The term candidate shall also include supreme court and district court judges of the state. An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Min-

nesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his consent, implicit or explicit, for any other person to receive contributions or make expenditures in excess of \$100 with a view to bringing about his nomination for election or election to an office.

Sec. 2. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

*Subd. 6a. "Local ethics office" means:*

*(a) The county auditor for candidates for elected county office and elected county officials in any county;*

*(b) The city clerk for candidates for elected city office and elected city officials in any city of more than 20,000 population.*

Sec. 3. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

*Subd. 9a. "City or county election" means a regular, special, primary, or special primary election for county office in any county or for city office in any city of more than 20,000 population, including a convention or caucus of a political party held to nominate or endorse a candidate for the offices of mayor and city council in cities of the first class.*

Sec. 4. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

*Subd. 11a. "Local public official" means any person holding elective county office in any county or elected city office in any city of more than 20,000 population.*

Sec. 5. Minnesota Statutes 1974, Section 10A.02, Subdivision 7, is amended to read:

*Subd. 7. All members and employees of the commission shall be subject to any provisions of law regulating political activity by state employees. In addition, no member or employee of the commission shall be a candidate for, or holder of, (a) a national, state, congressional district, legislative district, county or precinct office in a political party, or (b) an elected public office for which party designation is required by statute in the state, an elective county office in any county, or an elective city office in any city of more than 20,000 population.*

Sec. 6. Minnesota Statutes 1974, Section 10A.02, Subdivision 8, is amended to read:

*Subd. 8. The commission shall:*

*(a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The commission shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;*

*(b) Prescribe forms for statements and reports required to be filed*

under sections 10A.01 to 10A.34 and make the forms available to persons required to file them;

(c) Make available to the persons required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of sections 10A.01 to 10A.34;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any person may copy a report or statement by hand or by duplicating machine and the commission shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any person for any commercial purpose;

(f) *Notwithstanding the provisions of section 138.163*, preserve reports and statements for a period of ~~six~~ five years from the date of receipt;

(g) Compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidates; and

(h) Prepare and publish reports as it may deem appropriate. *Local ethics offices shall carry out the duties provided in subdivisions (d), (e), (f), (g) and (h) of this section.*

Sec. 7. Minnesota Statutes 1974, Section 10A.02, Subdivision 9, is amended to read:

Subd. 9. *The commission*, the executive director of the commission or his staff , *or local ethics office* shall inspect all material filed with the commission as promptly as is necessary to comply with the provisions of sections 10A.01 to 10A.34. The executive director *or local ethics office* shall immediately notify the person required to file a document with the commission *or office* if a written complaint is filed with the commission *or office* by any registered voter alleging, or it otherwise appears, that a document filed with the commission *or office* is inaccurate or does not comply with the provisions of sections 10A.01 to 10A.34 or that a person has failed to file a document required by sections 10A.01 to 10A.34.

Sec. 8. Minnesota Statutes 1974, Section 10A.02, Subdivision 10, is amended to read:

Subd. 10. The commission may make audits and investigations with respect to statements and reports which are filed or which should have been filed under the provisions of sections 10A.01 to 10A.34. In all matters relating to its official duties, the commission *or local ethics office* shall have the power to issue subpoenas and cause them to be served. If a person does not comply with a subpoena, the commission *or local ethics office* may apply to the district court of ~~Ramsey county~~ *the county in which it is located* for issuance of an order compelling obedience to the subpoena. A person failing to obey the order is punishable by the court as for contempt.

Sec. 9. Minnesota Statutes 1974, Section 10A.02, Subdivision 11, is amended to read:

Subd. 11. Any hearing or action of the commission *or local ethics office* concerning any complaint or investigation shall be confidential and all information obtained by the commission *or office* shall be privileged until the commission makes a finding that the commission *or office* believes there is or is not probable cause to conclude that a violation of Laws 1974, Chapter 470 or other campaign laws has occurred. Any person, including any member or employee of the commission *or office*, violating the confidentiality provisions of this subdivision shall be guilty of a gross misdemeanor. After determination of its findings the commission *or office* shall report any finding of probable cause to the appropriate law enforcement authorities.

Sec. 10. Minnesota Statutes 1974, Section 10A.02, Subdivision 13, is amended to read:

Subd. 13. The provisions of chapter 15, shall apply to the commission *or local ethics office* including the power to prescribe rules and regulations to carry out the purposes of sections 10A.01 to 10A.34. *The rules concerning disclosure of campaign financing and economic interests shall be applied by all local ethics offices.*

Sec. 11. Minnesota Statutes 1974, Section 10A.09, Subdivision 1, is amended to read:

10A.09 [STATEMENTS OF ECONOMIC INTEREST.] Subdivision 1. Except for a candidate for elective office in the judicial branch, an individual shall file a statement of economic interest with the commission *or local ethics office*:

- (a) Within 60 days of accepting employment as a public official; or
- (b) Within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective public office *including any state-wide or legislative office or any county office in any county or any city office in any city of more than 20,000 population*; or
- (c) In the case of a public official requiring the advice and consent of the senate, prior to the submission of his name to the senate, and in any event, within 60 days after he undertakes the duties of his office.

Sec. 12. Minnesota Statutes 1974, Section 10A.09, Subdivision 2, is amended to read:

Subd. 2. The secretary of state or the appropriate county auditor upon receiving an affidavit of candidacy or petition to appear on the ballot from an individual required by this section to file a statement of economic interest, and any official who nominates or employs a public official required by this section to file a statement of economic interest, shall notify the commission *or local ethics office* of the name of the individual required to file a statement and the date of the affidavit, petition or nomination.

Sec. 13. Minnesota Statutes 1974, Section 10A.09, Subdivision 3, is amended to read:

Subd. 3. The commission *or local ethics office* shall notify the secretary of state or the appropriate county auditor and, when necessary in

the case of appointive office, the presiding officer of the house that will approve or disapprove the nomination, of the name of the individual who has filed a statement of economic interest with the commission *or local ethics office* and the date on which the statement was filed.

Sec. 14. Minnesota Statutes 1974, Section 10A.09, Subdivision 4, is amended to read:

Subd. 4. The commission *or local ethics office* shall notify by registered mail any candidate for elective office who fails within 14 days after filing for office to submit a statement of economic interest required by this section. A candidate who knowingly fails to submit a statement of economic interest within seven days after receiving notice from the commission *or local ethics office* is guilty of a misdemeanor.

Sec. 15. Minnesota Statutes 1974, Section 10A.09, Subdivision 7, is amended to read:

Subd. 7. All *local public officials* in office on ~~April 13, 1974~~ *the effective date of this act* shall file with the ~~commission~~ *local ethics office* a statement of economic interest within ~~60~~ *90* days after the date ~~the commission issues statement of economic interest forms of final enactment.~~

Sec. 16. Minnesota Statutes 1974, Section 10A.09, Subdivision 8, is amended to read:

Subd. 8. Any public official, ~~except a member of the legislature or a constitutional officer~~ *public official in the state, and a local public official*, who is required to file a statement of economic interest and fails to do so by the prescribed deadline shall be suspended without pay by the commission in the manner prescribed in the contested case procedures in chapter 15.

Sec. 17. Minnesota Statutes 1974, Section 10A.17, Subdivision 2, is amended to read:

Subd. 2. *In elections for statewide and legislative office*, no person or persons acting in concert other than the candidate and the treasurer of the candidate's principal campaign committee may make expenditures of more than \$20 with the authorization or consent, express or implied, of a candidate or his agent, or under the control, direct or indirect, of a candidate or his agent on behalf of a candidate without receiving from the treasurer of that candidate's principal campaign committee (i) prior written authorization and (ii) certification that the expenditures will not exceed the limits on expenditures as set forth in Sections 10A.25 and 10A.27. All such expenditures shall be counted against the spending limitations of the candidate.

Sec. 18. Minnesota Statutes 1974, Section 10A.17, Subdivision 3, is amended to read:

Subd. 3. The treasurer or deputy treasurer of a political committee may make an authorization for petty cash in any reporting period of not more than \$100 per week for statewide elections and \$20 per week in legislative, *county or city* elections to be used for miscellaneous expenditures.

Sec. 19. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for *city, county and* legislative candidates and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year of each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b);

(d) The name and address of each political committee, political fund or candidate from which the reporting committee or fund received, or to which that committee made, any transfer of funds, together with the amounts and dates of all transfers. The lists shall be in alphabetical order;

(e) Each loan to or from any person within the year in an aggregate amount or value in excess of \$100, together with the full names and mailing address, occupations and the principal places of business, if any, of the lender or endorsers, if any, and the date and amount of the loans;

(f) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (e);

(g) The total sum of all receipts by or for the political committee or political fund during the reporting period;

(h) The name, address, occupation and the principal place of business, if any, of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made;

(i) The sum of individual expenditures which is not otherwise reported under clause (h);

(j) The name, address, occupation and the principal place of business, if any, of each person to whom an expenditure for personal services, salaries, and reimbursable expenses in excess of \$100 has been made, and which is not otherwise reported, including the amount, date and purpose of the expenditure;

(k) The sum of individual expenditures for personal services, salaries and reimbursable expense which is not otherwise reported under (j);

(l) The total expenditures made by the political committee or political fund during the reporting period;

(m) The amount and nature of debts and obligations owed by or to the political committee or political fund, and a continuous reporting of their debts and obligations after the election until the debts and obligations are extinguished;

(n) The amount and nature of any contract, promise or agreement, in writing, whether or not legally enforceable, to make a contribution or expenditure;

(o) The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 20. Minnesota Statutes 1974, Section 10A.20, Subdivision 5, is amended to read:

Subd. 5. In any statewide election any contribution or contributions from a person or association totaling \$2,000 or more, or in any *city, county or legislative* election any contribution of \$200 or more, received after the period covered in the last report prior to an election and prior to the election shall be reported to the commission or *local ethics office* by telegram within 48 hours after its receipt and in the next required report.

Sec. 21. Minnesota Statutes 1974, Section 10A.33, is amended to read:

10A.33 [APPLICATION.] The provisions of sections 10A.30 to 10A.32 shall apply only in *statewide and legislative* general elections and primary elections preceding *statewide and legislative* general elections and shall not ~~include~~ *apply in* special elections, special primary elections, conventions and caucuses of a political party or *elections for city or county offices*.

Sec. 22. [REPEAL.] *Minnesota Statutes, 1975 Supplement, Sections 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27; 210A.28; 210A.32 and 210A.33 are repealed.*"

Further, amend the title as follows:

Page 1, strike lines 2 to 16 and insert

"relating to ethics in government; conduct of certain local public officials and candidates for local elected offices; imposing duties on counties and certain city clerks; amending Minnesota Statutes 1974, Sections 10A.01, Subdivision 5, and by adding subdivisions; 10A.02, Subdivisions 7, 8, 9, 10, 11 and 13; 10A.09, Subdivisions 1, 2, 3, 4, 7 and 8; 10A.17, Subdivisions 2 and 3; 10.20, Subdivisions 3 and 5; and 10A.33; repealing Minnesota Statutes, 1975 Supplement, Sections 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27; 210A.28; 210A.32; and 210A.33."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1499: A bill for an act relating to the conduct of public

officials and campaigns for public office; redefining certain terms; providing for the filing of certain reports and statements; providing penalties; amending Minnesota Statutes 1974, Sections 10A.01, Subdivisions 2 and 11; 10A.02, Subdivisions 1, 8 and 11; 10A.04, Subdivision 4; 10A.07, Subdivision 1; 10A.09, Subdivision 5; 10A.14, Subdivision 2; 10A.19, Subdivision 1; 10A.20, Subdivisions 1, 2 and 3, and by adding a subdivision; 10A.21, Subdivision 1; 10A.22, Subdivision 5; 10A.23; 10A.25, Subdivisions 3 and 6; 10A.27, Subdivision 3; repealing Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.22, Subdivisions 2 and 8.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

Section 1. Minnesota Statutes 1974, Section 10A.01, Subdivision 2, is amended to read:

Subd. 2. "Administrative action" means an action of a ~~non-ministerial~~ nature by any official, board, commission or agency of the executive branch to make rules, regulations or general policy. "Administrative action" does not include the application or administration of those rules, regulations or policies in specific instances, except in cases of rate setting, power plant siting and others specified by the commission.

Sec. 2. Minnesota Statutes 1974, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination for election or election to any statewide office or legislative office, other than a federal office for which candidates are required to report under federal laws. The term candidate shall also include *an individual who seeks nomination for election or election to supreme court and district court judges judgeships* of the state. An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his consent, implicit or explicit, for any other person to receive contributions or make expenditures in excess of \$100 with a view to bringing about his nomination for election or election to an office.

Sec. 3. Minnesota Statutes 1974, Section 10A.01, Subdivision 7, is amended to read:

Subd. 7. "Contribution" means:

(a) A gift, subscription, loan, advance, the providing of supplies, materials or equipment, or deposit of money or anything else of value made to influence the nomination for election or election of a candidate to office *except a loan of money by a national or state bank made in accordance with applicable banking laws and regulations and in the ordinary course of business, which shall be considered a loan by each endorser or guarantor in that proportion of the unpaid balance thereof that each endorser or guarantor bears to the total number of endorsers or guarantors* ;

(b) A transfer of funds between political committees or political funds; or

(c) The payment of compensation for the personal services of another person which are rendered to a candidate, political committee or political fund to influence the nomination for election or election of a candidate to office by any person other than that candidate, political committee or political fund.

“Contribution” does not include services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee or political fund, or coverage by news media, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments.

Sec. 4. Minnesota Statutes 1974, Section 10A.01, Subdivision 10, is amended to read:

Subd. 10. “Expenditure” means:

(a) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made for the purpose of influencing the nomination for election or election of any candidate to office *except a loan of money by a national or state bank made in accordance with applicable banking laws and regulations and in the ordinary course of business*; or

(b) A transfer of funds between political committees or political funds.

“Expenditure” does not include: (a) Services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee, or political fund; or (b) expenses incurred by a member of the legislature or a person holding constitutional office in the executive branch, in performing services for constituents. The commission shall have the power to determine whether the expense was incurred primarily for the purpose of providing a constituent service or is an expenditure within the meaning of this subdivision.

Sec. 5. Minnesota Statutes 1974, Section 10A.01, Subdivision 11, is amended to read:

Subd. 11. “Lobbying” means any attempt to influence legislative or administrative action by communicating with public officials or by urging others to communicate with public officials.

“Lobbyist” means includes any:

(a) Individual Person, including any public official except a member of the legislature, who is engaged engages in lobbying (i) in the course of his regular employment, or (ii) for pay or other consideration, or (iii) when such person is authorized by another person to spend money for the purpose of attempting to influence legislative or administrative action by communicating with public officials lobbying purposes;

(b) Officially designated representatives of any person or association which has as a major purpose the influencing of legislative or administrative action who attempt to influence an action by communicating with public officials; or

(e) *(b) Individual Person who engages in lobbying and spends more than \$250 in any year for lobbying purposes, not including traveling expenses and membership dues . . . in any year for the purpose of attempting to influence legislative or administrative action by communicating with public officials.*

"Lobbyist" does not include:

(a) A public official or employee of the state or any of its political subdivisions or public bodies acting in his official capacity;

(b) (a) Parties and their representatives appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is acting in a non ministerial capacity taking administrative action;

(c) (b) Individuals in the course of selling goods or services to be paid for by public funds; or

(d) (c) News media or their employees or agents, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments or paid advertisements which directly or indirectly urge official action;

(e) (d) Paid expert witnesses whose testimony is requested by the body before which they are appearing or one of the parties to a proceeding, but only while acting in the ordinary course of preparing or delivering testimony; or

(f) *(e) Any person who engages in lobbying and spends less than \$250 for lobbying purposes in any year, and whose total costs in connection with lobbying in any year are less than \$500, including compensation and reimbursed expenses received by such person.*

Sec. 6. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

*Subd. 19. "Officeholder" means an individual who holds any elected statewide office or elected legislative office, other than a federal office for which candidates are required to report under federal laws, or is a supreme court or district court judge of the state.*

Sec. 7. Minnesota Statutes 1974, Section 10A.02, Subdivision 1, is amended to read:

10A.02 [STATE ETHICS COMMISSION.] Subdivision 1. There is hereby created a state ethics commission composed of six members. The members shall be appointed by the governor with the advice and consent of three-fifths of both the senate and the house of representatives acting separately. Failure by either house to confirm the appointment of a commission member within 45 legislative days after his appointment shall be deemed to be a refusal to advise and consent and his appointment shall terminate immediately after 45 legislative days or nonconfirmation, whichever is earlier. One member shall be a former state legislator from a major political party different from that of the governor; one member shall be a former state legislator from the same political

party as the governor; two members shall be persons who have not been public officials, held office in a political party other than precinct delegate, or been elected to public office for which party designation is required by statute in the three years prior to the time of their appointment; and the other two members shall not support the same political party. No more than three of the members of the commission shall support the same political party.

Sec. 8. Minnesota Statutes 1974, Section 10A.02, Subdivision 5, is amended to read:

Subd. 5. The commission shall appoint an executive director who shall be in the unclassified service. The commission may also employ and prescribe the duties of other permanent or temporary employees in the unclassified service as may be necessary to administer sections 10A.01 to 10A.34, subject to appropriation. The executive director and all other employees shall serve at the pleasure of the commission. ~~All administrative services such as supplies, office space and furnishings, payroll preparation and accounting services shall be provided to the commission by the secretary of state.~~ Expenses of the commission shall be approved by the chairman or such other member as the rules of the commission may provide and the expenses shall then be paid in the same manner as other state expenses are paid.

Sec. 9. Minnesota Statutes 1974, Section 10A.02, Subdivision 8, is amended to read:

Subd. 8. The commission shall: (a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The commission shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;

(b) Prescribe forms for statements and reports required to be filed under sections 10A.01 to 10A.34 and make the forms available to persons required to file them;

(c) Make available to the persons required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of sections 10A.01 to 10A.34;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any person may copy a report or statement by hand or by duplicating machine and the commission shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any person for any commercial purpose;

(f) *Notwithstanding the provisions of section 138.163, preserve reports and statements for a period of six five years from the date of receipt;*

(g) Compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidate; and

(h) Prepare and publish reports as it may deem appropriate.

Sec. 10. Minnesota Statutes 1974, Section 10A.02, Subdivision 11, is amended to read:

Subd. 11. Any hearing or action of the commission concerning any complaint or investigation shall be confidential and all information obtained by the commission shall be privileged until the commission makes a finding that the commission believes there is or is not probable cause to conclude that a violation of Laws 1974, Chapter 470 or other campaign laws has occurred. Any person, including any member or employee of the commission, violating the confidentiality provisions of this subdivision shall be guilty of a gross misdemeanor. ~~After determination of its findings~~ *The commission shall make a finding within 30 days of receipt of a written complaint unless a majority of the members agrees to extending the time limit, and shall report any finding of probable cause to the appropriate law enforcement authorities.*

Sec. 11. Minnesota Statutes 1974, Section 10A.04, Subdivision 4, is amended to read:

Subd. 4. The report shall include all information required on 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 commission, 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) Each honorarium, gift ~~or~~, loan, *item or benefit* excluding contributions to a candidate, equal in value to \$20 or more, given or paid *and the amount and nature of each honorarium, gift, loan, item or benefit* 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. 12. Minnesota Statutes 1974, Section 10A.07, Subdivision 1, is amended to read:

10A.07 [CONFLICTS OF INTEREST.] Subdivision 1. Any public official who in the discharge of his official duties would be required to take an action or make a decision which would substan-

tially affect his financial interests or those of a business with which he is associated *other than solely as an employee*, unless the effect on him is no greater than on other members of his business classification, profession or occupation, shall take the following actions:

(a) He shall Prepare a written statement describing the matter requiring action or decision and the nature of his potential conflict of interest;

(b) He shall Deliver copies of the statement to the commission and to his immediate superior, if any;

(c) If he is a legislator, he shall deliver a copy of the statement to the presiding officer of the house in which he serves; and

(d) If a potential conflict of interest presents itself and there is insufficient time to comply with the provisions of clauses (a) to (c), the public official shall verbally inform his superior or the official body, or committee thereof, in which he serves of the potential conflict. He shall file a written statement with the commission within one week after the potential conflict presents itself.

Sec. 13. Minnesota Statutes 1974, Section 10A.09, Subdivision 5, is amended to read:

Subd. 5. A statement of economic interest required by this section shall be on a form prescribed by the commission. The individual filing shall provide the following information:

(a) His name, address, occupation and principal place of business;

(b) The name of each business with which he is associated and the nature of that association; and

(c) A listing of all real property within the state, excluding homestead property, in which he has a fee simple interest, a contract for deed or an option to buy, whether direct or indirect, and which interest is valued in excess of \$2,500. The filing shall indicate the municipality, if any street address and the city or town, or if there is no street address, the section, township and range, and the county wherein the property is located.

Sec. 14. Minnesota Statutes 1974, Section 10A.11, Subdivision 6, is amended to read:

Subd. 6. Except for transfers of funds between political committees and transfers from the state election campaign fund, a political committee shall be financed solely through voluntary ~~donations~~ contributions by natural persons or political funds.

Sec. 15. Minnesota Statutes 1974, Section 10A.14, Subdivision 2, is amended to read:

Subd. 2. The statement of organization shall include:

(a) The name and address of the political committee or political fund;

(b) The names and addresses of the supporting associations of a political fund;

(c) The geographic area in which it will operate and the purpose of the political committee or political fund;

(d) The name, *and* address *and* position of the custodian of books and accounts *if other than the treasurer*;

(e) The name and address of the chairman, the treasurer, and any other principal officers including deputy treasurers, if any;

(f) The name, address, office sought, and party affiliation, if any, of each candidate whom the committee or political fund is supporting, or, if the committee or political fund is supporting the entire ticket of any party, the name of the party;

(g) A statement as to whether the committee or political fund is a continuing one;

(h) (f) A listing of all depositories or safety deposit boxes used; and

(i) (g) A statement as to whether the committee is a principal campaign committee.

Sec. 16. Minnesota Statutes 1974, Section 10A.19, Subdivision 1, is amended to read:

10A.19 [PRINCIPAL CAMPAIGN COMMITTEE.] Subdivision 1. Every candidate shall designate and cause to be formed a single principal campaign committee *no later than 14 days after filing an affidavit of candidacy or petition to appear on the ballot* .

Sec. 17. Minnesota Statutes 1974, Section 10A.20, Subdivision 1, is amended to read:

10A.20 [CAMPAIGN REPORTS.] Subdivision 1. *The treasurer of every principal campaign committee shall file the reports required by this section in the year in which the candidate being supported stands for election. Every* The treasurer of a every political committee *or and* political fund shall file the reports required by this section in any year it receives contributions or makes expenditures in excess of \$100.

Sec. 18. Minnesota Statutes 1974, Section 10A.20, Subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the commission by the following dates:

(a) In years in which any candidate being supported does not stand for election;

(1) January 7; and

(2) July 7;

(b) In years in which any candidate being supported does stand for election:

(1) January 7;

(2) July 7;

~~(3) Five days before any primary election in which the candidate stands for election;~~

~~(4) Five days before any general election in which the candidate stands for election; and~~

~~(5) 30 days after the last election in which a candidate stands for election;~~

~~(e) In special or special primary elections in which a candidate stands for election:~~

~~(1) 30 days before the election; and~~

~~(2) Five days before the election.~~

*on January 31 of every year and, in years in which the candidate being supported stands for election, ten days before any primary or special primary election and ten days before any general or special election and 30 days after the last election in which the candidate's name appears on the ballot. The January 31 report shall cover the time from the last day of the period covered by the last report through December 31 of the previous calendar year. All other reports shall cover the time from the last day of the period covered by the last report to five days prior to the filing date.*

*If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.*

Sec. 19. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for legislative candidates and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year of each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b) ;

~~(d) The name and address of each political committee, political fund or candidate from which the reporting committee or fund received, or to which that committee made, any transfer of funds, together with the amounts and dates of all transfers. The lists shall be in alphabetical order;~~

~~(e) (d) Each loan to or from any person within the year in an~~

aggregate amount or value in excess of \$100, together with the full names and mailing address, occupations and the principal places of business, if any, of the lender or endorsers, if any, and the date and amount of the loans;

~~(f)~~ (e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to ~~(e)~~ (d) ;

~~(g)~~ (f) The total sum of all receipts by or for the political committee or political fund during the reporting period;

~~(h)~~ (g) The name, *and* address, occupation *and* the principal place of business, if any, of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made;

~~(i)~~ (h) The sum of individual expenditures which is not otherwise reported under clause ~~(h)~~ (g) ;

~~(j)~~ The name, address, occupation *and* the principal place of business, if any, of each person to whom an expenditure for personal services, salaries, *and* reimbursable expenses in excess of \$100 has been made, *and* which is not otherwise reported, including the amount, date *and* purpose of the expenditure;

~~(k)~~ The sum of individual expenditures for personal services, salaries *and* reimbursable expense which is not otherwise reported under ~~(j)~~;

~~(l)~~ (i) The total expenditures made by the political committee or political fund during the reporting period;

~~(m)~~ (j) The amount and nature of ~~debts~~ *and* obligations any debt or obligation owed by or to the political committee or political fund, *and* a continuous reporting of their debts and obligations after the election until the debts and obligations are extinguished;

~~(n)~~ (k) The amount and nature of any contract, promise or agreement, in writing, whether or not legally enforceable, to make a contribution or expenditure; *and*

~~(o)~~ (l) *For principal campaign committees only:* The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate *and* the nature *and* amount of each authorized expenditure.

Sec. 20. Minnesota Statutes 1974, Section 10A.20, is amended by adding a subdivision to read:

*Subd. 12. The ethical practices board shall notify any person who fails to file a statement required by this section. A person who knowingly fails to file the statement within seven days after receiving notice from the commission is guilty of a misdemeanor.*

Sec. 21. Minnesota Statutes 1974, Section 10A.21, Subdivision 1, is amended to read:

10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision 1. *An identical copy of all reports or statements that must be filed with the commission by the principal campaign committee of legislative candidates shall also be filed on the same day with the county auditor of each county in which the legislative district lies.*

Sec. 22. Minnesota Statutes 1974, Section 10A.22, Subdivision 5, is amended to read:

Subd. 5. A political committee or political fund making an expenditure, other than a transfer of funds, for or on behalf of more than one candidate for state or legislative office shall allocate the expenditure among the candidates on a reasonable cost basis and report this allocation for each candidate. The treasurer shall retain for audit any documents supporting the allocation.

*Provided that expenditures by a state or local committee of a political party to pay the cost of preparation, display or distribution of a sample ballot, printed slate card or other printed list of three or more candidates for public office for which election is held shall be deemed expenditures of the candidate or committee incurring them and shall not be allocated. Provided further that expenditures by any candidate or committee to pay the cost of preparing for display or displaying any list of candidates on broadcasting stations or billboards or in newspapers, magazines or other public advertising media shall be allocated among the candidates named on the list.*

Sec. 23. Minnesota Statutes 1974, Section 10A.23, is amended to read:

10A.23 [CHANGES AND CORRECTIONS.] Any material changes in information previously submitted and any corrections to a report or statement shall be reported in writing to the commission within ten days following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. Any person who wilfully fails to report a material change or correction is guilty of a gross misdemeanor.

Sec. 24. Minnesota Statutes 1974, Section 10A.25, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding subdivision 2, clause (a), a candidate for the endorsement for the office of lieutenant governor at the convention of a political party may spend \$30,000 or five percent of the amount in subdivision 2, clause (a); ~~prior to the time of to seek~~ endorsement. This money shall be in addition to the money which may be expended pursuant to subdivision 2, clause (a).

Sec. 25. Minnesota Statutes 1974, Section 10A.25, Subdivision 6, is amended to read:

Subd. 6. In a year in which a ~~candidate does not stand for election~~ *an election does not occur for an office held or sought*, no expenditures shall be made and no obligations to make expendi-

tures shall be incurred by a candidate or officeholder or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or officeholder or his agents which shall result in the aggregate expenditure on behalf of the candidate or officeholder in that year of an amount in excess of 20 percent of the amount of the aggregate expenditure permitted by subdivision 2. Expenditures permitted by this subdivision shall be in addition to expenditures permitted by subdivision 2.

Sec. 26. Minnesota Statutes 1974, Section 10A.25, Subdivision 7, is amended to read:

Subd. 7. On or before January 15 of each year, the ~~commissioner of health~~ *state demographer* shall certify to the commission the *estimated* population of the state of Minnesota for the last ~~calendar~~ year ending before the date of certification. In determining the per capita amounts for each office in *section 10A.25*, subdivision 2, the commission shall use:

(a) In the case of the elections for governor and lieutenant governor, attorney general, secretary of state, state treasurer and state auditor, the total *estimated* population of the state;

(b) In the case of the elections for state senator, 1/67 of the total *estimated* population of the state;

(c) In the case of elections for state representative, 1/134 of the total *estimated* population of the state.

Sec. 27. Minnesota Statutes 1974, Section 10A.27, Subdivision 3, is amended to read:

Subd. 3. Expenditures by a political party on behalf of candidates of that party generally, without referring to any of them specifically in any advertisement published or posted, on any broadcast, or in any telephone conversation, if that conversation mentions three or more ~~candidates~~ *persons appearing on the ballot*, shall not be subject to the limitations of section 10A.25, subdivision 2.

Sec. 28. *Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.20, Subdivision 4; and 10A.22, Subdivisions 2 and 8 are repealed.*

Sec. 29. *This act is effective July 1, 1976.*"

Further, amend the title as follows:

Page 1, line 3, after "office;" insert "defining "lobbying";"

Page 1, line 3, after "redefining" insert ""lobbyist" and"

Page 1, line 3, after "certain" insert "other"

Page 1, line 7, after "Subdivisions 2" insert ", 5, 7, 10"

Page 1, line 7, after "11" insert ", and by adding a subdivision"

Page 1, line 7, after "Subdivisions 1," insert "5,"

Page 1, line 9, after "Subdivision 5;" insert "10A.11, Subdivision 6;"

Page 1, line 13, after "Subdivisions 3" strike "and 6" and insert "6 and 7"

Page 1, line 15, after "3;" insert "10A.20, Subdivision 4;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1995: A bill for an act relating to the state transportation system; creating the Minnesota state transportation fund; appropriating money therefrom for construction and reconstruction of bridges and bridge approaches; authorizing the issuance of state bonds therefor pursuant to article XI of the constitution.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, strike "and connecting road networks" and insert "municipal streets and township roads"

Page 2, line 27, after "disbursement" insert "to the commissioner of highways or any other officer or agency of the state"

Page 2, line 28, strike "to the commissioner of highways or any other"

Page 2, line 29, strike "officer or agency of the state"

Page 3, line 4, after "disbursement" insert "to the commissioner of highways"

Page 3, line 11, strike "and to standards, criteria and"

Page 3, line 12, strike "priorities established by the law"

Page 3, line 28, strike "standards for"

Page 3, line 29, strike "eligibility,"

Page 4, line 14, strike "and regional planning agencies"

Page 4, line 16, strike "recommendation to the state planning"

Page 4, line 17, strike "agency in"

Page 8, strike lines 12 through 20 and insert:

"(1) \$300,000,000 to the state planning agency for use by the commissioner of highways for the construction and reconstruction of key bridges and bridge approaches on the trunk highway system including interstate routes;

(2) to the state planning agency for use by the commissioner of highways for the construction and reconstruction of key bridges on the following road systems:

(a) \$160,000,000 for county highway systems;

(b) \$50,000,000 for municipal street systems; and

(c) \$90,000,000 for township road systems.”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2173: A bill for an act relating to Minnesota culture; preserving and presenting Minnesota folklife.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 13, strike “, beliefs, dances,”

Page 2, line 14, strike “songs, tales, sayings, art, crafts”

Page 2, line 14, strike “other”

Page 2, line 30, strike “composed of”

Page 2, line 31, strike “citizens of the state”

Pages 3 to 6, strike Sections 5, 6, 7 and 8 in their entirety and insert:

“Sec. 5. [STATE FOLKLORIST; POWERS.] Subdivision 1. The state folklorist shall exercise the powers conferred in this section with the approval of the director of the Minnesota historical society.

Subd. 2. The folklorist may accept gifts and grants for the support of the center; receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be for the purposes of the center, and use, sell or otherwise dispose of such property for the purpose of carrying out their functions.

Subd. 3. The state folklorist may enter into contracts with, award grants, loans, and scholarships to individuals and groups, and in the case of clause (5), to private radio and television broadcasters, museums, educational institutions and corporations for the purpose of:

(1) support and promotion of research, scholarship, and training in Minnesota folklife;

(2) support and promotion of live performances, festivals, exhibits, and workshops related to Minnesota folklife;

(3) purchase, receipt, support, and promotion of exhibitions and displays, including presentations by still and motion picture films and audio and visual magnetic tape recordings, which represent or illustrate some aspect of Minnesota folklife;

(4) purchase, production and support of exhibition, projects, presentations, and materials especially designed for classroom use representing or illustrating some aspect of Minnesota folklife; and

(5) making arrangements to present, display, exhibit, disseminate, communicate and broadcast to local, regional, or state audiences any item referred to in subdivision 4, clause (2).

Subd. 4. The state folklorist may:

(1) Establish and maintain branches of the center in conjunction with any state department, agency, or institution;

(2) Procure, receive, purchase, and collect for preservation or retention in an appropriate archive or museum creative works, exhibitions, presentations, objects, materials, artifacts, and audio and visual records including still and motion picture film, records, audio and visual magnetic tape recordings, written records, and manuscripts which represent or illustrate some aspect of Minnesota folklife;

(3) Establish procedures for loaning or making available any item in the archives authorized by this act to any individual or group;

(4) Loan, lease, or otherwise make available to public, private, and nonprofit educational institutions items developed pursuant to subdivision 3, clause (4);

(5) Develop and implement other programs to preserve, support, revitalize, and disseminate Minnesota folklife.

Sec. 6. [STATE FOLKLORIST; DUTIES.] Subdivision 1. It shall be the duty of the state folklorist to:

(1) Sponsor, engage in, and direct fundamental research into the folklife of this state and to encourage and coordinate folklife research and investigation undertaken within the state;

(2) Cooperate with other agencies of the state which may have authority to determine the location of folklife materials;

(3) Protect to the extent possible and encourage the preservation of folklife items located on privately owned property or otherwise in the private possession of individuals;

(4) Obtain for the state objects of folklife significance and data relating to the objects;

(5) Cooperate with the university of Minnesota and other institutions and organizations to preserve and collect Minnesota folklife, together with the data relating to the folklife; and

(6) Disseminate folklife information through the publication of reports of folklife research conducted within the state.

Subd. 2. [ANNUAL REPORT.] The state folklorist shall submit to the director of the Minnesota historical society an annual report concerning the operation of the center, including a detailed statement of all private and public funds received and expended by the center and such recommendations as the center deems appropriate.

Subd. 3. [CONTRIBUTORS' RIGHTS.] The state folklorist shall avoid any actions which infringe on the personal rights of individuals contributing to the center.

Sec. 7. [FOLKLIFE INFORMATION.] In order to maximize communication and cooperation among those collecting or studying Minnesota folklife, to protect the rights of persons who give information to collectors and students of Minnesota folklife, and to assist those who wish to represent accurately the folklife of the state of Minnesota, the state folklorist may establish procedures by which persons

who collect or study Minnesota folklife may

(1) submit their plans and report their ongoing and final findings to the center;

(2) report to the center any use, publication, or production of their work, and provide copies of any publication; and

(3) provide at no cost to themselves copies of their fieldwork data for deposit in the archive of the center to be used in accordance with the wishes of the donor."

Further amend the title as follows:

Page 1, line 3, after "folklife" insert:

“; creating center for study of Minnesota folklife; creating position of state folklorist in the historical society; prescribing powers and duties of the folklorist”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1895: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [PURPOSE.] *In order to aid farmers in obtaining credit for the acquisition of farm real estate, there is established a family farm security program which shall provide state money in guarantee of loans made according to the provisions of sections 1 to 14.*

Sec. 2. [DEFINITIONS.] *Subdivision 1. For the purposes of this act the following terms shall have the meanings given.*

*Subd. 2 “Applicant” means a person applying for a family farm security loan.*

*Subd. 3. “Council” means the family farm advisory council.*

*Subd. 4. “Commissioner” means the commissioner of agriculture.*

*Subd. 5. “Family farm security loan” means a loan for acquisition of farm land approved by the commissioner. It may include one or more of the following: (a) a family farm security loan guarantee; (b) a payment adjustment; (c) a participation loan.*

*Subd. 6. “Farm land” means land in Minnesota that is capable of supporting the commercial production of agricultural crops, livestock or livestock products, poultry products, milk or dairy products, or fruit or other horticultural products.*

*Subd. 7. “Lender” means any bank, savings bank, mutual savings bank, building and loan association, savings and loan association, or-*

ganized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other financial institutions subject to the supervision of the commissioner of banks; and any foreign or domestic corporation engaged in the business of insurance which is subject to the supervision of the commissioner of insurance as defined in Minnesota Statutes, Section 60A.02, Subdivisions 1 and 3; and any financial institution operating under the supervision of the farm credit administration. In case of participation loans as authorized in section 8, "lender" also means the seller of the property.

Subd. 8. "Participation loan" means a loan in which part or all of the purchase price of the farm is financed by a loan from the seller of the property, and the remainder of the loan, if any, is supplied by a lender as defined in subdivision 7. A participation loan may be secured by two or more separate notes that carry different interest rates.

Sec. 3. [ADMINISTRATION.] Subdivision 1. The family farm security program shall be administered by the commissioner.

Subd. 2. [RULES.] The commissioner shall promulgate rules necessary for the efficient administration of sections 1 to 7; section 8, subdivisions 1 and 2; section 10, subdivisions 1 and 4; and section 14.

Subd. 3. [REPORT TO LEGISLATURE.] On or before January 1 of each year the commissioner shall submit a report to the legislature, as provided in Minnesota Statutes, Section 3.195, concerning the actions of the commissioner and the status of loans granted.

Sec. 4. [ADVISORY COUNCIL.] Subdivision 1. [COMPOSITION.] There is established a family farm advisory council composed of seven members appointed by the governor as follows:

- (a) Two officers from a commercial lending institution;
- (b) One dairy farmer;
- (c) One livestock farmer;
- (d) One cash grain farmer;
- (e) One officer from a farm credit association;
- (f) One representative of consumers of food products who shall not be a farmer or lender.

Subd. 2. [TERMS AND COMPENSATION.] The council shall expire and the terms, compensation and removal of members of the council shall be governed by Minnesota Statutes, Section 15.059. The council shall meet monthly or more often as needed. Initial members shall be appointed for terms as follows: (a) for terms ending the first Monday in January, 1979: one officer from a commercial lending institution, the dairy farmer, the cash grain farmer, and the representative of consumers; and (b) for terms ending the first Monday in January, 1980: the remaining members.

Subd. 3. [CHAIRMAN.] The members of the council shall annually elect a chairman and other officers they deem necessary.

Subd. 4. [DUTIES.] The duties of the council shall be as follows:

- (a) To review and appraise the family farm security program;

(b) *To give advice and counsel to the commissioner regarding the family farm security program;*

(c) *To review all applications for family farm security loans and make recommendations to the commissioner as to their disposition;*

(d) *To make recommendations to the governor, legislature and the public on or before December 31 of each year regarding any needed state policy or program changes to foster and promote the economic health and viability of the family farm.*

*Subd. 5. [STAFF; SERVICES.] The commissioner of agriculture shall provide the council with necessary staff, office space and administrative services.*

*Sec. 5. [ELIGIBILITY.] A family farm security loan guarantee, payment adjustment or participation loan approval may be granted if the following criteria are satisfied:*

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

(b) *That the applicant has sufficient education, training, or experience in the type of farming for which he wishes the loan and continued participation in a farm management program, approved by the commissioner, for the duration of the family farm security loan;*

(c) *That the applicant has total net worth valued at less than \$50,000 and has demonstrated a need for the loan;*

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

*Sec. 6. [PROCEDURE.] Subdivision 1. [APPLYING FOR LOAN; LOAN DENIED.] Any person desiring to acquire farm land may make application with a lender for one or more of the following: (1) a family farm security loan guarantee; (2) payment adjustment; and (3) participation loan. Upon completion of the appropriate forms by the applicant and the lender, the lender shall forward the application to the commissioner for approval. The commissioner may approve the application if the criteria of sections 5 and 7 are satisfied, and shall notify the applicant and the lender of his decision.*

*If the application is denied, the commissioner shall return the application to the lender with a written statement of the reasons for the denial. The applicant shall be given a copy of the reasons for the denial of the loan. If the circumstances of the applicant change such that he becomes eligible, he may reapply.*

*Subd. 2. [APPROVED LOANS.] If the commissioner approves the loan application, he shall retain a copy of the application for his files and return the original to the lender. The applicant and the lender may then complete the transaction for the loan.*

*Subd. 3. [PRIVACY OF RECORDS.] The information contained in an application and the statement of reasons for the denial of an application shall be private data on individuals as defined in Minnesota Statutes, Section 15.162.*

**Subd. 4. [DEFAULT; FILING CLAIM.]** *Within 90 days of a default on a family farm security loan, the lender shall send notice to the applicant stating that the commissioner must be notified if the default continues for another 90 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.*

*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 relinquishing to the state all rights of the lender in exchange for payment of the outstanding balance due. If the commissioner is satisfied that the default has occurred, he shall authorize payment of state funds to the lender, and shall notify the defaulting party. The commissioner shall then become the holder of the mortgage. He shall arrange for fair market value appraisal of the farm land and shall accept applications from prospective purchasers who meet the criteria of sections 5 and 7 and have the support of a lender willing to finance the purchase. If an application is accepted by the commissioner, the property will be sold to the applicant and treated as though it were a new family farm security loan. If no buyer who is a qualified applicant can be found within 90 days at the fair market price as determined by the commissioner, the commissioner shall advertise the property and sell it to the highest bidder.*

*In the case of a participation loan involving more than one note, all of the notes shall be considered to be in default if one of the notes is in default.*

**Subd. 5. [GUARANTEE VOID.]** *The loan guarantee shall be void only if the guaranteed loan was obtained by fraud or material misrepresentation of which the original lender or subsequent holder had actual knowledge.*

**Sec. 7. [TERMS OF THE LOAN.]** *Subdivision 1. A family farm security loan shall be transacted on forms provided by the commissioner with the advice of the attorney general. The commissioner shall establish an appraisal procedure and shall thereby determine the value of the property before guaranteeing a family farm security loan.*

**Subd. 2. [PAYMENT ADJUSTMENT.]** *To be eligible for payment adjustment a family farm security loan shall have a maximum term of 20 years and shall provide for payments at least annually so that the loan shall be amortized over its term with equal annual payments of principal and interest. During the first ten years of a family farm security loan, the commissioner shall annually pay to the lender four percent of the outstanding balance due at the beginning of that year and the applicant shall pay the remainder of the payment due. After the tenth year, the applicant shall make payments according to the stated interest rate. The applicant may petition the commissioner for one ten year renewal of the payment adjustment. If a renewal is granted, in the 21st year the applicant shall reimburse the commissioner for*

*the sums paid on the applicant's behalf under this subdivision. If no renewal is granted, the applicant shall reimburse the commissioner in the 11th year for the sums paid on the applicant's behalf under this subdivision.*

*Subd. 3. [ANNUAL REVIEW OF NET WORTH.] The applicant shall annually submit to the commissioner a statement of his net worth. If his net worth in any year exceeds the sum of \$100,000, the applicant shall be ineligible for a payment adjustment in that year.*

*Sec. 8. [PARTICIPATION LOANS.] Subdivision 1. [AUTHORIZATION.] The commissioner may provide a guarantee to the lenders on participation loans when the buyer satisfies the eligibility criteria in section 5. The commissioner may also provide a payment adjustment on behalf of the applicant in the case of participation loans.*

*Subd. 2. [NEGOTIABILITY AND MARKETABILITY.] A participation loan shall be secured by a negotiable note or notes as defined in Minnesota Statutes, Section 336.3-104. Participation loan notes may be sold at a premium or discount. The commissioner must be notified in writing within 30 days when a participation loan note is sold or exchanged.*

*Subd. 3. [TAXABILITY.] The interest earned by the seller of the property on a participation loan that is guaranteed by the commissioner shall be excludable from gross income for the year in which it is received.*

*Sec. 9. Minnesota Statutes, 1975 Supplement, Section 290.08, is amended by adding a subdivision to read:*

*Subd. 23. The interest earned by the seller of the property on a participation loan that is guaranteed by the commissioner of agriculture under the provisions of section 8.*

*Sec. 10. [SALE OR CONVEYANCE.] Subdivision 1. [IMMEDIATE REPAYMENT OF LOAN.] Any applicant who sells or conveys the property for which a family farm security loan was issued shall immediately retire the entire indebtedness still owed to the lender and the commissioner. The new owner may negotiate a family farm security loan in his own right, but under no circumstances may the original loan be assumed by the new owner. This subdivision is not intended to prohibit the applicant from granting a security interest in the property for the purposes of securing an additional loan.*

*Subd. 2. [TAX PENALTY ON CAPITAL GAIN.] Minnesota Statutes, Chapter 290 shall apply to determine the amount of the gain realized on the sale of property for which a family farm security loan has been issued. In lieu of the tax imposed by chapter 290, the following rate of tax shall be imposed on any gain realized on the sale of the property:*

	<i>Time lapsed from issuance of loan</i>		<i>Tax rate</i>
	<i>At least</i>	<i>but less than</i>	<i>Percent</i>
<i>(a)</i>		<i>1 year</i>	<i>100</i>
<i>(b)</i>	<i>1 year</i>	<i>3 years</i>	<i>90</i>
<i>(c)</i>	<i>3 years</i>	<i>5 years</i>	<i>80</i>

(d)	5 years	7 years	70
(e)	7 years	9 years	60
(f)	9 years	10 years	50

*This tax shall no longer be applicable and the tax imposed by chapter 290 shall apply when the property for which a family farm security loan was issued has been held by the applicant for more than ten years after the issuance of the loan. Chapter 290 shall apply when the applicant has realized a loss on the sale of the property.*

*Subd. 3. [WAIVER OF TAX PENALTY.] The commissioner of revenue shall waive the imposition of the tax in subdivision 2 if the applicant has died or suffered a total disability.*

*For the purposes of this section, "total disability" means the total and permanent loss of sight of both eyes, the loss of both arms at the shoulder, the loss of both legs so close to the hips that no effective artificial members can be used, complete and permanent paralysis, total and permanent loss of mental faculties, or any other injury which totally incapacitates the applicant from working his farm.*

*Subd. 4. [DISCLOSURE IN LOAN CONTRACT.] Every family farm security loan shall contain notice of the penalties imposed by this section. The lender shall explain these terms to the applicant before submitting the loan to the commissioner for approval.*

*Sec. 11. Minnesota Statutes 1974, Section 48.24, Subdivision 5, is amended to read:*

*Subd. 5. Loans or obligations shall not be subject under this section to any limitation based upon such capital and surplus to the extent that they are secured or covered by guarantees, or by commitments or agreements to take over or to purchase the same, made by the commissioner of agriculture on the purchase of agricultural land or by any Federal Reserve bank or by the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States.*

*Sec. 12. Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:*

*Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.*

*For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the*

adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred (or continued) to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which

are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) 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;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101.

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20;

(5) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(8) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, 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 - ;

*(10) The interest earned by the seller of the property on a participation loan that is guaranteed by the commissioner of agriculture as provided by this act;*

*(11) The amount of gain included in federal adjusted gross income attributable to sales taxed under this act.*

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his

stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1 (2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 13. Minnesota Statutes, 1975 Supplement, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter; (b) taxes

assessed against local benefits of a kind deemed in law to increase the value of the property assessed; (c) inheritance, gift and estate taxes except as provided in section 290.077, subdivision 4; (d) cigarette and tobacco products excise tax imposed on the consumer; (e) that part of Minnesota property taxes for which a credit or refund is claimed and allowed under section 290.0603 or 290.066; (f) federal income taxes, by corporations, national and state banks except as provided in section 290.18; and (g) *the tax imposed by section 10, subdivision 2, of this act when the property has been held for less than ten years after the issuance of the loan; and* ~~(g)~~ (h) tax paid by any corporation or national or state bank to any foreign country or possession of the United States to the extent that a credit against federal income taxes is allowed under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1974. If the taxpayer's foreign tax credit consists of both foreign taxes deemed paid and foreign taxes actually paid or withheld, it will be conclusively presumed that foreign taxes deemed paid were first used by the taxpayer in its foreign tax credit. Minnesota gross income shall include the amount of foreign tax paid which had been allowed as a deduction in a previous year, provided such foreign tax is later allowed as a credit against federal income tax. Income taxes permitted to be deducted hereunder shall, regardless of the methods of accounting employed, be deductible only in the taxable year in which paid. Taxes imposed upon a shareholder's interest in a corporation which are paid by the corporation without reimbursement from the shareholder shall be deductible only by such corporation.

Sec. 14. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to a special account in the state treasury the sum of \$10,000,000 to be invested by the state board of investment in such securities as authorized by law.*

*Such sums as may be needed from time to time to pay lenders for defaulted loans is appropriated from the special account to the commissioner.*

*Subd. 2. Interest accrued from the investment of funds from the special account is annually appropriated, and the sum of \$ . . . . . from the general fund is appropriated to the commissioner to be used for payment adjustment under section 7, subdivision 2.*

*Subd. 3. There is appropriated from the general fund to the commissioner the sum of \$56,000 for administrative expenses incurred in fulfilling the provisions of this act."*

Amend the title as follows:

Line 4, after "money" insert "; amending Minnesota Statutes 1974, Section 48.24, Subdivision 5; and Minnesota Statutes, 1975 Supplement, Sections 290.01, Subdivision 20; and 290.09, Subdivision 4"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Mr. Berg questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Pursuant to Rule 60, a roll call was taken on the motion of Mr. Moe that S.F. 1895, as amended, be recommended to pass.

There were 10 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Dunn; Hanson, R.; Merriam; Moe; Olson, H. D.; Purfeerst; Schrom; Stumpf; Wegener and Willet.

Those who voted in the negative were:

Berg, Bernhagen, Olhoft and Renneke.

The bill passed the committee.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1964: A bill for an act relating to education; expanding reimbursement program for community school programs; authorizing state reimbursement for programs for children in state institutions; appropriating money; amending Minnesota Statutes, 1975 Supplement, Sections 124.271, Subdivision 2; and 124.32, Subdivision 3a; repealing Minnesota Statutes 1974, Section 275.39.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert the following:

*“Section 1. Subdivision 1. Any school district which has been or will be providing educational services to Southeast Asian refugee children from Vietnam, Cambodia, Laos, or Thailand for whom English is a second language may apply before July 1, 1976 to the commissioner of education for state categorical aid. The commissioner shall review the petition by September 1, 1976 to determine whether the district has incurred or will incur additional and uncompensated costs because of the provision of these services. If the commissioner determines that the district has incurred or will incur an additional and uncompensated cost, he shall pay to the district an amount not to exceed \$40 for each Southeast Asian child served.*

*Subd. 2. All aid distributed pursuant to this section shall be utilized by a school district for the purpose of paying additional and uncompensated costs which have been or will be incurred in the provision of these services.*

*Subd. 3. Prior to January 15, 1977, the commissioner shall report to the education committees of the senate and the house of representatives on the distribution of these aids. The report shall include (a) the recipients of the aid; (b) the amounts distributed, and (c) the reasons for these distributions.*

*Sec. 2. For the 1975-76 school year, if a district provides post-secondary vocational-technical education to pupils who are not residents of that district, it shall receive foundation aid for any such pupils who qualify to attend a post-secondary vocational-technical school without tuition pursuant to section 124.565, subdivision 1 or 2.*

Sec. 3. [3.9276] [EDUCATIONAL ALTERNATIVE PROGRAMS.] *Subdivision 1. For the 1976-77 school year, the council on quality education shall make grants to not less than six pilot alternative educational programs. At least three pilot programs shall be outside the cities of the first class and the seven county metropolitan area, and at least one of those outside these areas shall be a cooperative effort among several school districts. Grants for any program shall not exceed \$3,000 per year per pupil enrolled in that program less the amount earned by that pupil for that district as foundation aid. Educational alternative programs are programs which are voluntary alternatives to mainstream educational programs and which are designed for pupils who are identified as having such learning and behavioral problems as to have little or no interest in participating in the regular school programs. At least 60 percent of the students enrolled in any such program shall have a history of appearances before a juvenile court, as defined in section 260.021, or contact with other agencies exercising similar corrective functions, or a verified history of serious behavioral problems. All referrals to educational alternative programs shall be made by pupil referral committees to be established by each building principal within a district receiving grants under this section. Members of these committees shall include, but not be limited to, the principal, assistant principal, counselors, school psychologist, school social worker, and other appropriate faculty and professional representatives.*

*Subd. 2. Notwithstanding section 3.926, subdivision 2, every educational alternative program proposal shall be submitted to the council on quality education not less than six weeks before the planned commencement of the program. The council shall prescribe the form and manner of application and shall determine the participating pilot programs. In making this determination, the council shall give preference to those programs which appear most able to coordinate their services with existing programs and other governmental agencies. The council shall report on the programs annually to the committees on education of the senate and house of representatives.*

*Subd. 3. Each district providing pilot programs shall establish and maintain an account separate from all other district accounts for the receipt and disbursement of all funds related to these educational alternative programs. All foundation aid or other special state aid earned for a district by a student enrolled in an educational alternative program shall be deposited by the district in the educational alternative program account and shall be used solely for the purposes of that program.*

*Subd. 4. A school district providing educational alternative programs shall be eligible to receive funds for these programs from other government agencies and from private sources when such funds are available.*

*Subd. 5. Educational alternative programs established and operational prior to the effective date of this section shall be eligible for grants under this section.*

*Subd. 6. The state board of education shall provide service to the pilot programs by:*

*(a) Applying for funds which are, or may become available under federal programs, including funds for administration, demonstration projects, training, technical assistance, planning, and evaluation;*

*(b) Providing professional and technical assistance.*

*Subd. 7. The council on quality education shall appoint an advisory council of nine members on educational alternative programs. Appointed members shall represent at least the following disciplines: corrections; juvenile justice; education; special learning and behavior problems; mental health; career counseling; and vocational education; provided that not more than five council members shall be professionally or occupationally affiliated in these disciplines. This advisory council shall expire, and the membership terms, compensation, and removal of members shall be as provided in section 15.059.*

**Sec. 4. Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1, is amended to read:**

**120.17 [HANDICAPPED CHILDREN.] Subdivision 1. [SPECIAL INSTRUCTION FOR HANDICAPPED CHILDREN OF SCHOOL AGE.]** Every district shall provide special instruction and services, either within the district or in another district, for handicapped children of school age who are residents of the district and who are handicapped as set forth in section 120.03. When the provision of instruction, training, and services may result in hardship or injury to the child, the school board may appeal the mandatory provisions of Laws 1971, Chapter 689 to the commissioner of education who shall determine what provisions shall be made by the district for the education of the child. School age means the ages of four years to 21 years for children who are deaf, blind, crippled or have speech defects; and five years to 21 years for mentally retarded children; handicapped as defined in section 120.03 and shall not extend beyond secondary school or its equivalent. Every district may provide special instruction and services for handicapped children who have not attained school age. Districts with less than the minimum number of eligible handicapped children as determined by the state board shall cooperate with other districts to maintain a full sequence of programs for education, training and services for handicapped children as defined in section 120.03, subdivisions 1 to 3. A district that decides to maintain programs for trainable handicapped children is encouraged to cooperate with other districts to maintain a full sequence of programs.

**Sec. 5. Minnesota Statutes 1974, Section 120.17, Subdivision 2, is amended to read:**

**Subd. 2. [METHOD OF SPECIAL INSTRUCTION.]** Special instruction or training and services for handicapped children may be provided by one or more of the following methods:

- (a) Special instruction and services in connection with attending regular elementary and secondary school classes;
- (b) The establishment of special classes;
- (c) Instruction and services at the home or bedside of the child;
- (d) Instruction and services in other districts;
- (e) Instruction and services in a state college laboratory school or a university of Minnesota laboratory school;
- (f) Instruction and services in a state residential school or a school department of a state institution approved by the commissioner; or by any other method approved by him;
- (g) Instruction and services in other states;
- (h) Contract with public, private or voluntary agencies. *The primary responsibility for the education of a handicapped child shall remain with the district of the child's residence regardless of which method of providing special instruction or training and services is used.*

Sec. 6. Minnesota Statutes 1974, Section 120.17, Subdivision 5, is amended to read:

Subd. 5. [SCHOOL OF PARENTS' CHOICE.] Nothing in this chapter shall be construed as preventing parents of a handicapped educable child from sending such child to a school of their choice, if they so elect, subject to admission standards and policies to be adopted pursuant to the provisions of ~~Minnesota Statutes, Chapter 248 sections 38 to 46 of this act~~, and all other provisions of ~~Chapter 71, Extra Session Laws 1959 chapters 120 to 129.~~

Sec. 7. Minnesota Statutes 1974, Section 120.17, is amended by adding a subdivision to read:

*Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE DEAF OR BRAILLE AND SIGHTSAVING SCHOOL.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota school for the deaf or the Minnesota braille and sight-saving school shall be determined in the following manner:*

*(a) The legal residence of the child shall be the school district in which his parent or guardian resides;*

*(b) When it is determined pursuant to section 42, subdivision 1 or 2 of this act that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child at that school. The state board shall make a tuition charge to the child's district of residence for the actual cost of providing the program; provided, however, that the amount of tuition charged shall not exceed \$2,000 for any school year. The district of the child's residence shall pay the tuition and may claim foundation aid for the child;*

*(c) When it is determined that the child can benefit from public school enrollment but that the child should also remain in*

attendance at the applicable school, provision for this instruction shall be made in the following manner:

(1) Determination of eligibility for special instruction and services shall be made by the admissions and discharge committee. This decision shall be subject to the rules relating to due process promulgated by the state board, and shall be made only after consultation with the parents and the school district of residence;

(2) The school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the child's district of residence for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32;

(3) The district of the child's residence shall pay the tuition and other program costs including the unreimbursed transportation costs and may claim foundation aid for the child. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the education program and the state shall reimburse such district within the limits provided by law;

(4) If a school district pays tuition under the provisions of this clause, it shall not be charged by the state board under clause (b).

(d) The state board shall provide free billing services for the district where the institution is located for tuition charges to be made pursuant to clause (b), if agreeable to that district.

Sec. 8. Minnesota Statutes 1974, Section 120.17, is amended by adding a subdivision to read:

*Subd. 9. No resident of a district who is eligible for special instruction and services pursuant to this section shall be denied provision of this instruction and service on a shared time basis because of attendance at a nonpublic school defined in section 123.932, subdivision 3.*

Sec. 9. Minnesota Statutes 1974, Section 120.17, is amended by adding a subdivision to read:

*Subd. 10. All tuition billing for the education of nonresident children pursuant to this section shall be done on uniform forms prescribed by the commissioner. The billing shall contain an itemized statement of costs which are being charged to the district of residence. One copy of each such billing shall be filed with the commissioner.*

Sec. 10. Minnesota Statutes 1974, Section 120.74, Subdivision 1, is amended to read:

120.74 [PROHIBITED FEES.] Subdivision 1. A school board is not authorized to charge fees in the following areas:

(a) Textbooks, workbooks, art materials, laboratory supplies, towels;

(b) Supplies necessary for participation in any instructional course except as authorized in sections 120.73 and 120.75;

(c) Field trips which are required as a part of a basic education program or course;

(d) Graduation caps, gowns, any specific form of dress necessary for any educational program, and diplomas;

(e) Instructional costs for necessary school personnel employed in any course or educational program required for graduation;

(f) Library books required to be utilized for any educational course or program;

(g) Admission fees, dues, or fees for any activity the pupil is required to attend;

(h) Any admission or examination cost for any required educational course or program;

(i) Locker rentals ;

(j) *School transportation and related services for which the district is authorized to receive transportation aid pursuant to section 124.223 or for hazardous transportation for which a district may levy pursuant to section 275.125, subdivision 5.*

Sec. 11. Minnesota Statutes 1974, Section 121.21, is amended by adding a subdivision to read:

*Subd. 4a. No district shall expend funds from any source for construction of, additions to or expansion of facilities of an area vocational-technical school without the approval of the state board if the construction, addition or expansion requires the expenditure of an amount equal to or greater than \$75 per pupil unit in average daily membership in the school or changes the perimeter walls of an existing facility. No construction, addition or expansion which requires the expenditure of less than \$75 per pupil unit and does not change a perimeter wall shall be carried out without the approval of the commissioner of education.*

Sec. 12. [121.90] [DEFINITIONS.] "Receivable", "liabilities", "fund balances", "revenues" and "expenditures" have the meanings specified in the Uniform Financial Accounting and Reporting System for Minnesota School Districts unless otherwise provided by law.

Sec. 13. [121.91] [ADVISORY COUNCIL ON UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS.] *Subdivision 1. There is created an advisory council on uniform financial accounting and reporting standards, composed of thirteen members appointed as follows:*

- (1) *Two employees of the state department of education appointed by the commissioner of education;*
- (2) *an employee of the office of state auditor appointed by the state auditor;*
- (3) *one licensed certified public accountant appointed by the state board of education;*

- (4) *nine persons who are representative of the various size school districts in the state and who are public school employees whose positions involve activities related to school financing and accounting, appointed by the state board.*

*Professional associations composed of persons eligible to be appointed under clauses (3) and (4) may recommend nominees from their associations to the state board.*

*Subd. 2. The council shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059. The state board shall determine the length of terms of the initial members consistent with section 15.059.*

*Subd. 3. The council shall annually select a chairman and secretary from its membership. Meetings shall be held at the call of the chairman.*

**Sec. 14. [121.92] [UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS.]** *Subdivision 1. The council shall recommend to the state board uniform financial accounting and reporting standards for school districts. Prior to October 1, 1976, the state board shall adopt uniform financial accounting and reporting standards which are consistent with this act and with generally accepted accounting principles and practices. The standards so adopted shall be known as the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

*Subd. 2. The state board shall meet the requirements of chapter 15 in the adoption and revision of these standards. All substantive interpretations of these standards by the department shall be published in the state register.*

**Sec. 15. [121.93] [REVENUE RECOGNITION.]** *Subdivision 1. School district revenues shall be recognized and reported on the district books of account in accordance with this section.*

*Subd. 2. Revenues shall be recorded in a manner which clearly indicates that they are applicable to a specific accounting period and fund.*

*Subd. 3. Receivables shall be recorded in a manner which clearly reflects amounts of money due to a particular fund from public and private sources at the date of each accounting statement.*

*Subd. 4. All current levies of local taxes, including portions assumed by the state, shall be recognized as receivable at the beginning of the calendar year during which collection normally takes place. Such receivables shall be reserved for use in the subsequent fiscal year. Payments of current taxes including but not limited to March personal property tax settlements, received prior to July 1, shall be recorded as revenue to be earned as of July 1 with appropriate adjustments to the receivables and the reserves for such taxes. All current taxes received prior to July 1 plus the balance of the reserves shall be recognized as revenue on July 1.*

*Subd. 5. Foundation aid, endowment fund apportionment, and guarantee aid shall be recognized as revenue of the fiscal year for which the aids are designated by statute.*

*Subd. 6. Transportation aids, including depreciation aid, and any categorical aids not otherwise provided for in this section shall be recognized as revenue of the fiscal year for which these aids are designated by statute.*

*Subd. 7. Summer school aids shall be recognized as revenues and recorded as receivables during the fiscal year in which the summer school session ends; provided that nothing in this subdivision shall be construed to provide for a different rate of aid than that provided in section 124.20.*

*Subd. 8. "Categorical reimbursement" aids are those aids for which the expenditures of the prior fiscal year are used only for determination of the amount. These aids shall be recognized as revenues and recorded as receivables in the fiscal year designated for payment.*

*Subd. 9. Interest shall be recognized in the fiscal year during which earned, and shall be allocated proportionately to the funds from which the resources were invested.*

*Subd. 10. Federal aids or grants shall be recognized as revenues and recorded as receivables in the fiscal year during which the eligible expenditures are recognized.*

*Subd. 11. State aids or grants, that are paid as a matching of an expenditure, shall be recognized as revenues and recorded as receivables in the fiscal year during which the eligible expenditure is recognized.*

*Subd. 12. Other revenues not specified in this section shall be recognized as revenues and shall be recorded in the fiscal year earned.*

*Subd. 13. Deviations from the principles set forth in this section shall be evaluated and explained in footnotes to audited financial statements.*

*Subd. 14. The state board shall specify the fiscal year or years to which the revenue from any aid or tax levy is applicable if Minnesota Statutes do not so specify.*

**Sec. 16. [121.94] [EXPENDITURE RECOGNITION.]** *Subdivision 1. School district expenditures shall be recognized and reported on the district books of account in accordance with this section.*

*Subd. 2. There shall be fiscal year-end recognition of expenditures and the related offsetting liabilities recorded in each fund in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

*Subd. 3. Purchase orders, itemized in detail, for other than inventory supply items, which are issued to outside vendors and based on firm prices shall be recorded as expenditures in the fiscal year designated at the time of the issuance of the order.*

*Subd. 4. Inventory supply items may be recorded as expenditures at the time of the issuance of the purchase order or at the time of delivery to the school district's subordinate unit or other consumer of the item.*

*Subd. 5. Salaries and wages shall be recorded as expenditures in the fiscal year in which the personal services are performed.*

*Subd. 6. Other payable items shall be recorded in the fiscal year in which the liability is incurred.*

*Subd. 7. Deviations from the principles set forth in this section shall be evaluated and explained in footnotes to audited financial statements.*

**Sec. 17. [121.95] [REQUIREMENT FOR ACCOUNTING, BUDGETING AND REPORTING.]** *Subdivision 1. On or before June 30, 1977, each Minnesota school district shall adopt the Uniform Financial Accounting and Reporting System for Minnesota School Districts provided for in section 14 of this act.*

*Subd. 2. [UNAUDITED FINANCIAL STATEMENTS.] Each Minnesota school district shall submit to the commissioner by August 15, 1977 and August 15 of each year thereafter, an unaudited financial statement for the preceding fiscal year. This statement shall be submitted on forms prescribed by the commissioner after consultation with the advisory council on uniform financial accounting and reporting standards.*

*Subd. 3. [AUDITED FINANCIAL STATEMENTS.] Prior to June 30 of the calendar year following the submission of the unaudited financial statement, the school district shall provide to the commissioner and state auditor an audited financial statement prepared in a form which will allow comparison with and correction of the unaudited statement.*

*Subd. 4. [BUDGET REPORTING.] Each Minnesota school district shall submit to the department by August 15, 1977, and by August 15 of each year thereafter, on forms prescribed by the commissioner, the revenue and expenditure budgets adopted for that fiscal year.*

*Subd. 5. All governmental units formed by joint powers agreements entered into by school districts pursuant to Minnesota Statutes, Sections 120.17, 123.351, 471.59, or any other law shall be subject to the provisions of this section.*

**Sec. 18. [121.96] [CASH FLOW; SCHOOL DISTRICT REVENUES; BORROWING FOR CURRENT OPERATING COSTS.]** *Subdivision 1. The commissioner of finance shall remit all payments of state aids to school districts in conformance with the dates provided by law or, when not so provided, with a schedule of aid payments to be established by the commissioner of education in consultation with other affected state agencies.*

*Subd. 2. The auditors or finance officers of Minnesota counties shall remit all payments of taxes to the school districts in conformance with the provisions of section 276.11. School districts which have need for tax remittance advances may secure them from the counties by making formal requests in conformance with section 276.11.*

*Subd. 3. Minnesota school districts may issue tax and aid anticipation certificates in conformance with the provisions of sections 124.71 to 124.781, with the additional provision that the proceeds of such borrowing or any other method of borrowing shall be recorded as liabilities of funds for which the taxes were levied, or for which the aids are receivable. Nothing in this subdivision shall provide authority for borrowing against the tax levies and aids of one school district fund for the purpose of increasing the available cash balance of another fund.*

*Subd. 4. Unless otherwise provided by law, no district shall, for the purpose of increasing the available cash balance of another fund, borrow or transfer funds from the building construction fund, debt redemption fund, trust and agency fund, or from any sinking fund for outstanding bonds issued for any purpose. However, if the contemplated use for which funds were originally placed in the building construction fund or a sinking fund is afterwards abandoned or if a balance remains after the use is accomplished, a district may devote these funds as provided in section 475.65. For the purpose of insuring fund integrity, separate bank accounts shall be maintained for building construction funds, debt redemption funds, trust and agency funds, and sinking funds for outstanding bonds. However, nothing in this subdivision shall be construed to prohibit the use of common bank accounts for other funds unless prohibited by law.*

**Sec. 19. [121.97] [STATUTORY OPERATING DEBT.]** *Subdivision 1. The "statutory operating debt" of a school district means the net negative fund balance in all school district funds, other than capital expenditure, building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated as of June 30 of each year in accordance with the Uniform Financial Accounting and Reporting Systems for Minnesota School Districts.*

*Subd. 2. The commissioner shall establish a uniform auditing or other verification procedure for school districts to determine whether a statutory operating debt exists in any Minnesota school district as of June 30, 1977. The standards for this uniform auditing or verification procedure shall be promulgated by the state board pursuant to chapter 15. If a school district applies to the commissioner for a statutory operating debt verification or if the unaudited financial statement for the school year ending June 30, 1977 reveals that a statutory operating debt might exist, the commissioner shall require a verification of the amount of the statutory operating debt which actually does exist.*

*Subd. 3. If an audit or other verification procedure conducted pursuant to subdivision 2 determines that a statutory operating debt exists and does not come within the provisions of subdivision 4, a district shall follow the procedures set forth in section 56 of this act to eliminate this operating debt.*

*Subd. 4. If the amount of the statutory operating debt verified pursuant to subdivision 2 is less than three percent of the most recent fiscal year's expenditure amount for the funds considered under subdivision 1, the net negative fund balance shall not qualify as statutory operating debt for the purposes of this section and sections 20 and 56 of this act.*

*Subd. 5. The commissioner of education shall certify the amount of statutory operating debt for each school district. Prior to June 30, 1979, the commissioner may, on the basis of corrected figures, adjust the total amount of statutory operating debt certified for any district.*

*Subd. 6. On January 15, 1998, the commissioner of education shall report to the legislature on the districts for which the levy allowable under section 56 of this act has been insufficient to eliminate the statutory operating debt of the district, determined as of June 30, 1977.*

*Subd. 7. This section and the provisions of section 56 of this act*

*shall be applicable only to common, independent, and special school districts and districts formed pursuant to Laws 1967, Chapter 822, as amended, and Laws 1969, Chapters 775 and 1060, as amended. This section and the provisions of section 56 of this act shall not apply to Independent School District No. 625.*

*Subd. 8. Any district eligible to receive any amounts pursuant to section 56 of this act shall disclose its statutory operating debt retirement plan by footnote to the audited financial statement.*

**Sec. 20. [121.98] [EXPENDITURE LIMITATIONS.] Subdivision 1.**

*(a) Beginning in fiscal year 1978 and in each year thereafter, a district which had statutory operating debt on June 30, 1977 pursuant to section 19 of this act shall limit its expenditures in each fiscal year to the amount of revenue recognized in the same fiscal year in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

*(b) The expenditures of a district for each fiscal year shall be limited so that the amount of its statutory operating debt calculated for that fiscal year pursuant to section 19 of this act is not greater than the amount of the district's statutory operating debt as of June 30, 1977, as certified and adjusted by the commissioner;*

*(1) reduced by an amount equal to the cumulative entries to that district's "Reserve Account for Reducing Operating Debt";*

*(2) increased by an amount equal to two and one half percent of that district's operating expenditures for the fiscal year immediately preceding the fiscal year for which the statutory operating debt calculation is being made.*

*(c) When a district is no longer required to levy pursuant to section 56 of this act, subdivision 2 of this section shall be applicable.*

*Subd. 2. Beginning in fiscal year 1978 and each year thereafter, any district not subject to subdivision 1 shall limit its expenditures so that its appropriate fund balances shall not constitute statutory operating debt as defined and limited in section 19 of this act.*

*Subd. 3. If a school district does not limit its expenditures in accordance with this section, the commissioner shall so notify the appropriate committees of the legislature by no later than January 1 of the year following the end of that fiscal year.*

**Sec. 21. [121.99] [PARTICIPATION IN COMPUTER SYSTEMS.] Subdivision 1.** *On or before July 1, 1980, all Minnesota school districts shall convert financial accounting and reporting operations to a computer based financial management accounting and reporting system utilizing regional or other computing facilities and utilizing accounts and records defined in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

*Subd. 2. After July 1, 1980, participation in a computer based financial management accounting and reporting system shall be mandatory. The form of this participation shall be appealable to the commissioner.*

Sec. 22. Minnesota Statutes 1974, Section 123.37, Subdivision 1, is amended to read:

123.37 [INDEPENDENT SCHOOL DISTRICTS, CONTRACTS.] Subdivision 1. No contract for work or labor, or for the purchase of furniture, fixtures, or other property, except books registered under the copyright laws, or for the construction or repair of school houses, the estimated cost or value of which shall exceed ÷ (a) \$3,000 for school districts with an enrollment of students in grades 1 to 12 of less than 10,000 or (b) \$5,000 for all other school districts that specified in section 471.345, subdivision 3, shall be made by the school board without first advertising for bids or proposals by two weeks' published notice in the official newspaper. Such notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

Such additional publication in the official newspaper or elsewhere may be made as the board shall deem necessary.

After taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids, every such contract shall be awarded to the lowest responsible bidder, duly executed in writing, and the person to whom the same is awarded shall give a sufficient bond to the board for its faithful performance, and otherwise conditioned as required by law. A record shall be kept of all bids, with names of bidders and amount of bids, and with the successful bid indicated thereon. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid shall be rejected unless the alteration or erasure is corrected as herein provided. An alteration or erasure may be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid. In the case of identical low bids from two or more bidders, the board may, at its discretion, utilize negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price. In the case where only a single bid is received, the board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not exceed the original bid. If no satisfactory bid is received, the board may readvertise. Standard requirement price contracts established for supplies or services to be purchased by the district shall be established by competitive bids. Such standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts shall not exceed two years with an option on the part of the district to renew for an additional two years. Provided that in the case of purchase of perishable food items except milk for school lunches and vocational training programs a contract of any amount may be made by direct negotiation by obtaining two or more written quotations for the purchase or sale, when possible, without advertising for bids or

otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof.

Every contract made without compliance with the provisions of this section shall be void. Provided, that in case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.

Firm bid contracts for the purchase of milk and ice cream renegotiated between August 25, 1973 and July 1, 1974 which provide for a price increase or decrease based upon a demonstrable industrywide or regional increase in the vendor's costs are valid and not void under this subdivision; provided that the adjustment shall not exceed the increase or decrease authorized in the applicable federal marketing order for raw milk; and provided further that a school district which did not renegotiate its contract before February 1, 1974, shall not adjust its contract to provide for price increases or decreases for purchases made before February 1, 1974.

Sec. 23. Minnesota Statutes 1974, Section 123.37, Subdivision 1b, is amended to read:

Subd. 1b. Notwithstanding the provisions of subdivision 1 *or section 471.345*, a contract for the transportation of school children may be made ~~either~~ by direct negotiation, by obtaining two or more written quotations for the service; when possible, or upon sealed bids. At least 30 days before awarding a directly negotiated contract, the school district shall, by published notice, request quotations for the service to be provided. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. If a contract is made by direct negotiation, negotiations shall be carried on at a meeting of the school board open to the public. If a contract is made upon sealed bids, the procedure for advertising and awarding bids shall conform to the provisions of subdivision 1.

Sec. 24. Minnesota Statutes, 1975 Supplement, Section 124.04, is amended to read:

124.04 [CAPITAL EXPENDITURE TAXING AUTHORITY.] In addition to the tax levy prescribed by law for general and special school purposes, the board of any district may levy annually an amount such that the sum of the levy and attached machinery aid for capital outlay purposes calculated pursuant to section 273.138, subdivision 3, clause (1), shall not exceed *the greater of \$70 per pupil unit or, in 1976 and 1977, \$70 per 1975-76 pupil unit or, in districts where the pupil unit count is increased pursuant to section 124.17, subdivision 1, clause (7), \$75 per pupil unit*. No levy under this section shall exceed 10 mills on each dollar of assessed valuation of taxable property in the district as adjusted for the preceding year by the equalization aid review committee notwithstanding the provisions of sections 272.64 and 275.49; *provided that said levy may not exceed by more than two mills (three mills if the district adds units pursuant to section*

124.17, subdivision 1, clause (7)) the levy under this section in the previous year and provided further that any district which did not levy pursuant to this section in 1972 may certify a maximum levy of six mills not to exceed \$65 per pupil unit in 1974. The tax so levied shall be collected in the manner provided by law for the collection of school taxes. The proceeds of the tax may be used only to acquire land, improve and repair school sites, to equip, re-equip, repair and improve buildings and permanent attached fixtures, and to pay leasing fees for computers and computer services. Subject to the commissioner's approval, the tax proceeds may also be used to rent or lease buildings for school purposes and to acquire or construct buildings. The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

The proceeds of the tax shall not be used for custodial or other maintenance services.

Sec. 25. Minnesota Statutes, 1975 Supplement, Section 124.17, Subdivision 2, is amended to read:

Subd. 2. Membership for pupils in grades kindergarten through twelve and for handicapped prekindergarten pupils shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that the pupil has left or has been legally excused; provided that any pupil, regardless of age, who has been absent from school without a legally justifiable excuse for 15 consecutive school days shall be dropped from the roll and classified as withdrawn. Nothing in Extra Session Laws 1971, Chapter 31, shall be construed as waiving the compulsory attendance provisions cited in section 120.10. Average daily membership shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in the district's schools divided by the number of days said schools are in session. For districts operating 12 months schools, days schools are in session shall mean the number of session days required by section 124.19, subdivision 1. The average daily membership of a pupil enrolled on a shared time basis shall equal the ratio of the total minutes for which such pupil is enrolled and the minimum minutes required during the year for a regularly enrolled public school pupil. Foundation aid for shared time pupils shall equal the amount which would accrue if shared time pupil units, counted pursuant to *subdivision 1, clauses (1) and (2) of this section*, were added to the district's total pupil units used in determining its foundation aid. *Foundation aid for shared time pupils shall be in addition to any other aid to which the district is otherwise entitled and shared time pupil units shall not be used for any other computation under subdivision 1 or for any computation under section 124.04.* A district shall not be entitled to transportation aid under section ~~124.22~~ 124.222 for pupils enrolled on a shared time basis unless the statutes specifically provide for transportation aid to such student. This subdivision shall be effective July 1, 1975 as applied to shared time foundation aid and July 1, 1976 as applied to pupils in area vocational-technical schools.

Sec. 26. Minnesota Statutes, 1975 Supplement, Section 124.212, Subdivision 8a, is amended to read:

Subd. 8a. (1) Notwithstanding any provisions of any other law to the contrary, the adjusted assessed valuation used in calculating foundation aid shall include only that property which is currently taxable in the district. For districts which received payments under sections 124.215, subdivision 2a; 124.25; 124.30; ~~360.133 473.633~~; ~~360.135 473.635~~; and 124.28; the foundation aid shall be reduced by: The previous year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125, but not to exceed 45 percent in 1975-1976 and 50 percent in 1976-1977 of the previous year's payment.

(2) For districts which received payments under sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; any law imposing a tax upon severed mineral values, or under any other distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; the foundation aid shall be reduced in the August adjustment payment by the previous fiscal year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125 for collection in the calendar year ending during the aforementioned fiscal year, but not to exceed 40 percent in the August 1975 adjustment, 45 percent in the August 1976 adjustment, and 50 percent in the August 1977 adjustment of the previous fiscal year's payment.

Sec. 27. Minnesota Statutes 1974, Section 124.222, is amended by adding a subdivision to read:

*Subd. 6. No district may charge a fee for school transportation and related services for which the district is authorized to receive transportation aid pursuant to section 124.223 or for hazardous transportation for which the district may levy pursuant to section 275.125, subdivision 5.*

Sec. 28. Minnesota Statutes, 1975 Supplement, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.] For the 1974-1975 school year and thereafter, school transportation and related services for which state transportation aid is authorized are:

(1) Transportation or board of resident pupils who reside one mile or more from the public schools which they could attend, or transportation to, from, or between the schools they attend pursuant to a program approved by the commissioner of education, or who reside one mile or more from a private school actually attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to private school pupils;

(2) Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another

district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) Transportation for residents to and from a state board approved secondary vocational center;

(4) Transportation or board and lodging of a handicapped pupil when he cannot be transported on a regular school bus, and the conveying of handicapped pupils between home and school and within the school plant;

(5) When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) Transportation for resident pupils to and from an instructional community-based employment station which is part of an approved occupational experience secondary vocational program;

(7) Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education;

(8) *Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;*

~~(8)~~ (9) Services described in clauses (1) to ~~(7)~~ (8) when provided in conjunction with a state board approved summer school program.

Sec. 29. Minnesota Statutes 1974, Section 124.26, is amended by adding a subdivision to read:

*Subd. 4. [PAYMENT SCHEDULE.] The state shall pay to each school district 30 percent of its estimated adult education aid entitlement for the fiscal year on or before each of the following dates: September 30, December 31, and March 31. The actual balance due the district shall be paid on or before August 31 of the following fiscal year.*

Sec. 30. Minnesota Statutes, 1975 Supplement, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. In fiscal year 1977 and each year thereafter, the state shall pay 50 cents per capita to each school district which is operating a community school program in compliance with the rules and regulations established by the state board and which has levied ~~at least~~ *the lesser of the \$1 per capita or the maximum permissible certified levy* for community services pursuant to section 275.125, subdivision 8, for use in that year.

Sec. 31. Minnesota Statutes, 1974, Section 124.32, as amended by Laws 1975, Chapter 432, Sections 48 to 50, is amended to read:

124.32 [HANDICAPPED CHILDREN.] Subdivision 1. The state shall pay to any school district and ~~unorganized territory;~~ ~~(a) for the employment in its educational program for handicapped children,~~ 65 percent of the salary of essential personnel

*employed by the district in that school year in its educational programs for handicapped children, but this amount shall not exceed \$10,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, including but not limited to summer school; (b) for the employment of an individual jointly with another district or districts or unorganized territory in its educational program for handicapped children, 65 percent of the salary of essential personnel, but this amount shall not exceed \$10,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time including but not limited to summer school. This provision shall apply whether the essential personnel are employed by a district alone or jointly with another district or districts.*

*Subd. 2. The state shall reimburse each district or unorganized territory for supplies and equipment purchased or rented for use in the instruction of handicapped children in the amount of one-half of the sum actually expended by the district or unorganized territory but not to exceed an average of \$50 in any one school year for each handicapped child receiving instruction. The state shall pay to any school district providing educational programs for handicapped children 50 percent of the sum actually expended by the district in that school year for the purchase or rental of supplies and equipment exclusively used in these educational programs, but this amount shall not exceed an amount equal to \$50 per school year for each handicapped child receiving special instruction and services.*

*Upon following such procedure as requested by the commissioner of education and the filing of an estimated budget, a district may bill the state for its entitlement under this subdivision. If the aid paid exceeds this entitlement, the excess amount shall be deducted from the August payment, or the aid payment of any future school year in which the fact that this excess payment was made is discovered.*

*Subd. 3a. The purpose of this subdivision is to change the method of funding of educational programs for handicapped children from reimbursement based on past expenditures to a current funding basis. Beginning July 1, 1976, the state shall not reimburse expenditures from the 1975-1976 school year programs, including 1976 summer school programs, but shall pay aids for the 1976-1977 school year programs and for each year thereafter on a current funding basis.*

*Subd. 4. The aids provided for handicapped children shall be paid to the district providing the special instruction and services. Foundation aid shall be paid to the district or unorganized territory of the pupils' residence. The total amount of aid paid may not exceed the amount expended for handicapped children for in the school year for which the aid is paid. If the aid paid does exceed the amount expended, the excess amount shall be deducted from the August payment, or the aid payment of any future school*

*year in which the fact that this excess payment was made is discovered.*

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay to the resident district not to exceed 65 percent of instructional costs charged to the resident district, less the foundation aid per pupil unit payable to the resident district. Not more than \$400,000 shall be spent annually for purposes of implementing this subdivision. If that amount does not suffice, the aid shall be pro rated among all qualifying districts.

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by a public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children, either within or outside of the state, or, a state residential school outside of the state.

(b) A private, nonsectarian residential facility designed to provide educational services for handicapped children either within or outside of the state.

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Subd. 6. The state shall ~~reimburse pay~~ each district ~~or unorganized territory~~ the actual cost incurred in providing instruction and services for a handicapped child whose district of residence has been determined by section 120.17, subdivisions 7 or 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following such procedure as requested by the commissioner of education *and the filing of an estimated budget*, a district ~~or unorganized territory~~ providing instruction and services for such handicapped child may bill the state the actual cost incurred in providing said services including transportation costs and a proportionate amount of capital outlay and debt service, minus the amount of foundation aid, special education aid, transportation aid, and any other aid earned in behalf of such child ~~; such action pursuant~~ *The total amount of aid paid shall be subject to the limits set forth in section 124.32, subdivision 4.*

Subd. 7. [PAYMENT SCHEDULE.] *Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, the state shall pay to each school district ten percent of the estimated aids to handicapped children in each of the months from September through May based on information available and the final distribution shall be made in August of the following year.*

Sec. 32. Minnesota Statutes, 1975 Supplement, Section 124.561, Subdivision 3, is amended to read:

Subd. 3. [BUDGETS.] Before January 1, 1976, and before January 1 of each year thereafter post-secondary vocational-technical school budgets for the following fiscal year shall be submitted to the state board for vocational education. The state board for vocational education shall approve the budgets for each district prior to June 1 of each year ~~at~~ after a consolidated public hearing held pursuant to ~~chapter 15, subdivision 3a of this section which shall be held prior to June 1 of each year and which shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard.~~ The total amount or reimbursement payments approved for fiscal year 1975 payable in fiscal year 1976 shall not exceed by more than 14 percent the amount appropriated for post-secondary vocational-technical education for payment in fiscal year 1975. No district shall increase its operating deficit during fiscal year 1976 unless authorized to do so by the state board for vocational education. The state board for vocational education shall before September 1, 1975 promulgate rules and regulations which establish the approval criteria for budgets, including responsiveness to current and projected manpower needs of population groups to be served in the various geographic areas and communities of the state, particularly disadvantaged and handicapped persons; adequacy of evaluation of programs; and other criteria set forth in the state plan for vocational education. The commissioner, in cooperation with the department of finance, shall establish program budget standards by which area vocational-technical institutes shall submit financial requests.

Sec. 33. Minnesota Statutes, 1975 Supplement, Section 124.561, is amended by adding a subdivision to read:

*Subd. 3a. The consolidated public hearing held by the state board pursuant to subdivision 3 of this section shall take place with at least six board members present and shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard. Notice of intention to hold the hearing shall be given at least 20 days prior to the date set for the hearing by United States mail to each district submitting a post-secondary vocational school budget, to other interested persons, representatives, and organizations who register their names with the commissioner of education for that purpose, and in the state register. The department of education shall make available at least one free copy of the proposed disposition of budgets to any person requesting it. Unless the commissioner determines that the use of an audio magnetic recording device is more appropriate, a court reporter shall keep a record at every hearing. A transcript of the hearing record shall be made available upon the request of any person, provided that the request is in writing and the cost of preparing the transcript is borne by the requesting person. After allowing written material to be submitted and added to the hearing record for five days after the public hearing ends, the commissioner of education shall proceed as promptly as possible to write a report containing the proposed final disposition of budgets. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the proposed final*

*disposition. The report shall be available to all affected school districts upon request for at least 15 days before the state board takes final action on the budgets. Any district which is adversely affected by the proposed final disposition of budgets may demand and shall be given an opportunity to be heard in support of modification of the proposed disposition at the meeting at which the state board takes final action on the budgets; provided, the state board may place reasonable restrictions on the length of time allowed for testimony.*

Sec. 34. Minnesota Statutes, 1975 Supplement, Section 124.562, Subdivision 2, is amended to read:

Subd. 2. Membership for pupils in post-secondary vocational-technical schools shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that he has left or has been legally excused; provided that any pupil, regardless of age, who has been absent from school without a legally justifiable excuse for 15 consecutive school days shall be dropped from the roll and classified as withdrawn. No pupil who is counted in average daily membership pursuant to this section shall be counted in average daily membership in any district pursuant to section 124.17, subdivision 2, *unless he is eligible to earn foundation aid pursuant to section 120.80 or is attending a post-secondary vocational-technical school course on a part time basis in addition to spending six hours per day in a secondary program. Average daily membership shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in a post-secondary vocational-technical school in a district divided by 175. Average daily membership for pupils who are enrolled on a part time basis, in post-secondary vocational-technical schools, but not including adult vocational pupils, shall equal (a) the sum for all pupils of the number of days of the school year each pupil is enrolled in a post-secondary vocational-technical school in a district times the number of hours per day each student is enrolled divided by the number of hours the school is in session per day six (b) divided by 175 ; provided the number of hours which are counted for average daily membership for any pupil in any one program shall in no event exceed the number of hours approved by the state board for completion of the program. For a post-secondary vocational-technical school, the normal school year shall be at least the number of session days required by section 124.19, subdivision 1. In all post-secondary vocational-technical schools, the minimum length of the school day for each pupil, exclusive of the noon intermission, shall be six hours. Exceptions may be made by the local school administration for approved programs to meet individual student needs.*

Sec. 35. Minnesota Statutes, 1975 Supplement, Section 124.563, Subdivision 3, is amended to read:

Subd. 3. Post-secondary vocational categorical and capital expenditure aid shall be apportioned by the state board for vocational education at the consolidated public hearing held pursuant to section 124.561, subdivision 3. All post-secondary vocational

categorical and capital expenditure aid approved at this public hearing shall be distributed to the districts on or before August 1, December 1, March 1 and June 1 of each year. Additional post-secondary vocational categorical and capital expenditure aid may be distributed on or before March 1 and June 1 of each year if it is apportioned at a consolidated public hearing held in before February 15 of that year pursuant to Chapter 15 in the manner specified in section 124.561, subdivision 3a. On the date of each post-secondary vocational categorical and capital expenditure aid payment, the state board shall report to the appropriate committees of the legislature on the distribution of post-secondary vocational categorical and capital expenditure aid. The report shall include (a) the recipients of the aid; (b) the amounts distributed, and (c) the reasons for these distributions.

Sec. 36. Minnesota Statutes, 1975 Supplement, Section 124.565, Subdivision 2, is amended to read:

Subd. 2. Any person who has attained his 21st birthday and who would, but for that fact, qualify under subdivision 1 to attend a post-secondary vocational-technical school without tuition, may attend the school without tuition ~~subject to the other provisions of this subdivision~~, if he entered active military service in any branch of the armed forces of the United States before his 21st birthday, *was a Minnesota resident at the time of induction into the armed forces and had been a Minnesota resident during the six months immediately preceding induction, and who has then been separated or discharged from active military service under conditions other than dishonorable, and if he applies for admission to the school before his 29th birthday. Time after separation or discharge from military service spent as an in-patient in a hospital or similar institution for treatment of an illness or disability or in recovery from an illness or disability that prevents gainful occupation or study shall be added to the time allowed for application.*

Sec. 37. Minnesota Statutes 1974, Chapter 124, is amended by adding a section to read:

[124.566] *The state board for vocational education may transfer unused post-secondary vocational categorical aid to the post-secondary vocational foundation aid account should an increase in average daily membership cause a deficiency in post-secondary vocational foundation aid in the 1976-77 school year. This section shall expire June 30, 1977.*

Sec. 38. [128A.01] [LOCATION.] *The Minnesota school for the deaf and the Minnesota braille and sight-saving school shall be continued at Faribault, and shall be grouped and classed with the educational institutions of the state.*

Sec. 39. [128A.02] [TRANSFER OF AUTHORITY.] *Subdivision 1. The state board of education shall be responsible for the control, management and administration of the Minnesota school for the deaf and the Minnesota braille and sight-saving school, and all the property real or personal appertaining thereto.*

Subd. 2. *The state board shall promulgate rules regarding the*

*maintenance and conduct of both schools and the individuals in attendance, and shall perform all duties necessary to provide the most beneficial and least restrictive program of education for each child handicapped by visual disability or hearing impairment.*

*Subd. 3. The state board may employ central administrative staffs and other personnel as necessary to provide and support programs and services in each school. The state board may discharge staff and personnel pursuant to provisions of law applicable to independent school districts. These schools shall be deemed to be public schools for the purposes of sections 125.03 and 125.04, and all teachers as defined in those sections who are employed at these schools shall be subject to the standards of the board of teacher standards and certification ; provided that any teacher who does not meet these standards as of the effective date of this section shall be required to meet these standards by September 15, 1978 in order to continue in employment.*

*Subd. 4. The state board may enter into contracts with other public and private agencies and institutions to provide residential and building maintenance services if it determines that these services could thus be provided in a more efficient and less expensive manner.*

**Sec. 40. [128A.03] [ADVISORY COUNCILS.]** *Subdivision 1. The state board of education shall appoint an advisory council on the Minnesota school for the deaf and an advisory council on the Minnesota braille and sight-saving school. These councils shall advise the state board in all matters pertaining to the control, management, and administration of these schools.*

*Subd. 2. Each advisory council shall consist of seven members. The members shall be representative of the various geographic regions of the state, shall include parents or guardians of visually disabled or hearing impaired children, and shall include two representatives from groups representing the interests of visually disabled or hearing impaired individuals, as applicable. All members shall have knowledge, experience and interest in the problems of visually disabled or hearing impaired children.*

*Subd. 3. The councils shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.*

*Subd. 4. The advisory council of each school shall audit all expenses incurred by each school and shall oversee the development of the annual budget request which shall be submitted to the state board. Each respective council shall make recommendations pertaining to the employment of all staff at each school including hiring, salaries, fringe benefits, and personnel policies. Each council shall also make recommendations for rules and regulations regarding the maintenance of each school and the children in attendance.*

**Sec. 41. [128A.04] [GIFTS AND CONVEYANCES.]** *The state board of education shall take and hold in trust all lands or other property granted, given, devised, or conveyed to the schools, or to either of them. All moneys and securities so received and*

*all income from this property shall be deposited in the state treasury in compliance with section 16.18, subject to the order of the state board.*

**Sec. 42. [128A.05] [ATTENDANCE.] Subdivision 1. [SCHOOL FOR THE DEAF.]** *Any individual who is between four and 21 years of age who is deaf or hearing impaired shall be entitled to attend the school for the deaf if it is determined pursuant to the rules relating to due process promulgated by the state board that the nature of severity of the hearing impairment is such that education in regular or special education classes provided by the school district cannot be achieved satisfactorily and that attendance at the school would be the least restrictive alternative for that individual. Nothing in this subdivision shall be construed as a limitation on the attendance at this school of children who have other handicaps in addition to being deaf or hearing impaired.*

**Subd. 2. [BRAILLE AND SIGHT-SAVING SCHOOL.]** *Any individual who is between four and 21 years of age who is blind or visually disabled shall be entitled to attend the braille and sight-saving school if it is determined pursuant to the rules relating to due process promulgated by the state board that the nature or severity of the visual impairment is such that education in regular or special education classes provided by the school district cannot be achieved satisfactorily and that attendance at the school would be the least restrictive alternative for that individual. Nothing in this subdivision shall be construed as a limitation on the attendance at this school of children who have other handicaps in addition to being blind or visually disabled.*

**Subd. 3.** *Attendance at the school for the deaf and the braille and sight-saving schools shall be subject to the compulsory attendance provisions of section 120.10 except that attendance may be excused pursuant to that section by the commissioner of education or his designee. Any person failing to comply with the provisions of section 120.10 shall be subject to the provisions of section 120.12. The superintendent of the applicable school shall exercise the duties imposed by section 120.12. Attendance at the school for the deaf or the braille and sight-saving school shall fulfill the mandatory requirements of section 120.17.*

**Sec. 43. [128A.06] [ADMITTANCE AND DISCHARGE.] Subdivision 1.** *The admissions and discharge committee of each school shall include the field consultant of the applicable school and four members who are knowledgeable in the fields of hearing impairment or visual disability, as applicable, to be appointed by the state board.*

**Subd. 2.** *Preliminary application for admission shall be made by June 1 upon the appropriate forms provided by the field consultant or the district superintendent. The admissions and discharge committee shall make its recommendations by July 1. An admittance shall be provisional until it is determined that that individual comes within the provisions of section 42, subdivision 1 or 2 of this act.*

**Subd. 3.** *An individual in attendance at either school prior to*

*the effective date of this section shall be entitled to continue in attendance without reapplication provided that it is determined by September 1, 1977 that that individual comes within the provisions of section 42, subdivision 1 or 2 of this act.*

*Subd. 4. The progress of an individual in attendance at either school shall be evaluated monthly by the professional staff of that school. The individual shall be returned to the district of residence when deemed appropriate by the admissions and discharge committee. This decision shall be subject to the rules relating to due process promulgated by the state board, and shall be made only after consultation with the parents and the school district of residence.*

*Sec. 44. [128A.07] [EXPENSE OF PUPILS.] Any individual attending the school for the deaf or the braille and sight-saving school shall be provided, by the person legally liable for his support, with sufficient funds to furnish him with proper clothing, postage, and necessary incidental expenses. If the person legally liable for his support is unable to make these provisions for him, the county welfare board of the county of which he is a resident shall pay to the superintendent of the school in which he is a pupil a sum to be fixed by the commissioner of education pursuant to rules promulgated by the state board. In addition, the school district of residence shall be liable for the actual transportation of the pupil to and from the school in which he is a pupil.*

*Applicants from other states who can benefit by being enrolled may be accepted so long as acceptance does not preclude acceptance of an eligible Minnesota resident. The commissioner of education shall obtain reimbursement from other states for the costs incurred in connection with nonresidents accepted and may contract with the appropriate authorities of other states to effect reimbursement. All money received from other states shall be paid to the state treasurer and placed in the general fund subject to the order of the state board.*

*Sec. 45. [128A.08] [BLIND STUDENT TO RECEIVE EXPENSES WHILE AT CERTAIN SCHOOLS.] Any blind person who is, and for five years immediately preceding the making of his application for aid under sections 38 to 46 of this act has been, a resident of this state, who is a regularly enrolled student pursuing any course of study, profession, art, or science in any university, college, or conservatory of music approved by the state board, in the discretion and under direction of the board, may receive a sum or sums of money, not exceeding \$300 in any one year, for the purpose of defraying his necessary expenses, including those of a reader, while in attendance upon such university, college, or conservatory, such expenditures to be made from the appropriations for the current expenses of the Minnesota braille and sight-saving school. Not more than ten such blind persons shall receive this aid in any one year.*

*Sec. 46. [128A.09] [FIELD CONSULTANTS.] The state board of education shall employ a field consultant for each of these schools. The duties of the field consultant shall include visiting*

*all visually disabled or hearing impaired children residing in the state and assisting them and their parents in any and all matters relating to their educations. The field consultant shall have knowledge of the problems of visually disabled or hearing impaired persons, shall be learned and experienced in counseling and shall possess such other educational qualifications as may be determined by the state board. He shall have an office and secretarial staff in his respective school. He shall have access to reports and statistics of all schools and social agencies in the state to the extent consistent with state and federal law and shall attempt to identify all visually disabled and hearing impaired children, their abilities and educational status, and shall provide this information to the state board. He shall meet with parents and guardians of visually disabled or hearing impaired children and assist them in making decisions as to the types of education most beneficial to their children. He shall also make arrangements for the education of their children in either of these schools.*

Sec. 47. Minnesota Statutes 1974, Chapter 137, is amended by adding a section to read:

[137.22] *Any resident of the state graduated from the Minnesota braille and sight-saving school or the Minnesota school for the deaf, upon compliance with all other admission requirements, shall be entitled to pursue any course of study at the University of Minnesota without expense for tuition; and the board of regents shall receive him into any department thereof.*

Sec. 48. [EFFECT OF TRANSFER TO STATE BOARD OF EDUCATION.] *Subdivision 1. [TRANSFER OF FUNCTIONS.] The powers, duties and functions of the commissioner of public welfare relating to the Minnesota school for the deaf and the Minnesota braille and sight-saving school are transferred to the state board of education which shall be the successor to the commissioner of public welfare as to all powers and duties heretofore vested in and imposed upon the commissioner of public welfare relating to these schools.*

*Subd. 2. [TRANSFER NOT TO CONSTITUTE NEW AUTHORITY.] Except as provided herein, the transfer of powers, duties and functions under sections 38 to 48 shall not constitute the creation of a new authority, but shall constitute a continuation of the powers, duties and functions. For the purpose of succession, all rights, authorities, powers, duties, functions and obligations existing at the time of the transfer shall continue with the same force and effect as if no transfer had been made.*

*Subd. 3. [CONTINUATION OF RULES AND REGULATIONS.] Any order, rule or regulation issued or existing and in force at the time of the transfer of powers, duties and functions under sections 38 to 48, and not otherwise inconsistent with these sections shall continue in full force and effect as an order, rule, or regulation of the state board, or program under the control of the state board, until the order, rule or regulation is amended, repealed or superseded, or the program terminated.*

*Subd. 4. [TRANSFER NOT TO AFFECT LEGAL ACTION.] The transfer of powers, duties and functions as provided in sections 38 to*

48 shall not affect any action or proceeding whether of an administrative, civil or criminal nature pending at the time of the transfer, but the action shall be prosecuted or defended in the name of the state board, and the state board, upon application to the appropriate court, shall be substituted as a party to the action or proceeding. No contract entered into according to law shall be affected by the transfer, but shall be performed as if the transfer had not occurred.

*Subd. 5. [TRANSFER OF STATUTORY REFERENCE.]* Whenever a person or authority whose powers, duties and functions are transferred hereunder is referred to in any statute, contract or document, the reference or designation shall be deemed to refer to the board, department or officer to which the powers, duties and functions have been transferred.

*Subd. 6. [CONTINUATION OF RIGHTS OF EMPLOYMENT.]* All employees in the classified or unclassified service, pursuant to the provisions of the state personnel act, of the department of public welfare employed at these schools on the effective date of this section are transferred to the department of education, and the employees shall not lose any rights or benefits now accorded them by law.

*Subd. 7. [TRANSFER OF PROPERTY.]* All books, maps, plans, papers, records and property of every description within the jurisdiction and control of the commissioner of public welfare relating to these schools and necessary for their operation, shall be delivered and turned over to the state board of education, and it is authorized to take possession thereof.

*Subd. 8. [TRANSFER OF FUNDS.]* The unencumbered and unexpended balance of all funds appropriated to the commissioner of public welfare for the Minnesota school for the deaf and the Minnesota braille and sight-saving school are transferred and reappropriated to the department of education. All state and federal aids from any source which have heretofore been available to the commissioner of public welfare for the use of these schools are hereby granted to the department of education.

Sec. 49. Minnesota Statutes 1974, Section 246.01, is amended to read:

246.01 [POWERS AND DUTIES.] The commissioner of public welfare is hereby specifically constituted the guardian of both the estate and person of all feeble-minded or epileptic persons, the guardianship of whom has heretofore been vested in the state board of control or in the director of social welfare whether by operation of law or by an order of court without any further act or proceeding, and all the powers and duties vested in or imposed upon the state board of control or the director of social welfare, with reference to mental testing of persons mentally deficient or epileptic, and with reference to the institutions of the state of Minnesota except correctional institutions administered and managed by the commissioner of corrections, are hereby transferred to, vested in, and imposed upon the commissioner of public welfare, and in relation thereto he is hereby charged with and shall have the exclusive power of administration and management of all of the following state institutions: The schools and hospitals for

the mentally retarded and epileptic, state hospitals for the mentally ill, the Minnesota braille and sight-saving school, the state school for the deaf, and the state hospital for inebriates. He shall have power and authority to determine all matters relating to the unified and continuous development of all of the foregoing institutions and of such other institutions, the supervision of which may, from time to time, be vested in him. It is intended that there be vested in him all of the powers, functions, and authority heretofore vested in the state board of control relative to such state institutions. He shall have the power and authority to accept, in behalf of the state, contributions and gifts of money and personal property for the use and benefit of the inmates of the public institutions under his control, and all moneys and securities so received shall be deposited in the state treasury subject to the order of the commissioner of public welfare. If the gift or contribution is designated by the donor for a certain institution or purpose, the commissioner of public welfare shall expend or use the same as nearly as may be in accordance with the conditions of the gift or contribution, compatible with the best interests of the inmates and the state. The commissioner of public welfare is hereby constituted the "state agency" as defined by the social security act of the United States and the laws of this state for all purposes relating to mental health and mental hygiene.

For the purpose of carrying out his duties, the commissioner of public welfare shall accept from mentally deficient wards for whom he is specifically appointed guardian a signed application for his consent to the marriage of said ward. Upon receipt of such application he shall promptly conduct such investigation as he deems proper and determine if the contemplated marriage is for the best interest of the ward and the public. A signed copy of the commissioner's determination shall be mailed to the ward and to the clerk of the district court of the county where the application for such marriage license was made.

There is hereby appropriated to such persons or institutions as are entitled to such sums as are provided for in this section, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make such payment.

Sec. 50. Minnesota Statutes 1974, Section 248.07, Subdivision 3, is amended to read:

Subd. 3. [SPECIAL ATTENTION.] The Commissioner of public welfare shall give special attention to the cases of such blind *handicapped* youth as *who* are eligible to ~~attendance at~~ attend the Minnesota Braille and sight-saving school, the Minnesota school for the deaf, or the public school classes for the blind *handicapped children*, but are not in attendance thereat, or are not receiving adequate instruction elsewhere and seek to secure such attendance by all practicable means. *The commissioner shall report all such cases to the school district of the individual's residence and to the state board of education.*

Sec. 51. *On or before January 15, 1977, the commissioner of public welfare shall report to the legislature as to whether the*

*transfer of any funds under sections 39 and 48 of this act would violate any federal laws or regulation or would cause the loss of any federal money or aid. The report shall specify the programs involved, shall cite the specific authority which would be violated, and shall detail the consequences of this violation.*

Sec. 52. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. (1) In 1975, a school district may levy for all general and special school purposes, an amount equal to the amount raised by the 1974 adjusted assessed valuation of the district times the number of mills, not to exceed 29, that bears the same relation to 29, as the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), bears to \$960.

(2) In 1976, a school district may levy for all general and special school purposes, an amount equal to the amount raised by the 1975 adjusted assessed valuation of the district times the number of mills, not to exceed 29, that bears the same relation to 29, as the sum of the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), and the greater of (a) five-sixths of the difference that results when such greater sum is subtracted from \$1015, or (b) \$55, bears to \$1015.

(3) For any district levying less than the maximum levy allowable in clauses (1) and (2), beginning with the levy certified in 1976, payable in 1977, the foundation aid to the district for the 1977-78 school year, and for subsequent levies, foundation aid for subsequent school years, calculated pursuant to section 124.212, shall be reduced by the amount of the difference between the actual levy and the maximum levy allowable under clauses (1) and (2). In the application of this clause, the maximum levy allowable under clauses (1) and (2) shall be reduced by any reduction of this levy which is required by section 275.125, subdivision 9 or any other law.

(4) The levy authorized by clauses (1) or (2) may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held in a single school year. The question on the ballot shall be whether a specific millage which will yield a specific amount based on the most recent assessed valuation may be added to that authorized by clauses (1) or (2). If approved, the amount provided by the millage applied to each year's assessed valuation shall be authorized for certification until revoked by the voters of the district at a subsequent referendum, which may be called by the school board and which shall be called by the school board upon the written petition of qualified voters of the district unless the petition for revocation is submitted in the same year in which a levy has been increased by the voters pursuant to this clause. A petition authorized by this clause shall be effective if signed by a number of qualified

voters in excess of 15 percent, or 10 percent if the school board election is held in conjunction with a general election, of the average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board unless the petition for revocation is submitted in the same year in which a levy has been increased by the voters pursuant to this clause. Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

Sec. 53. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 4, is amended to read:

Subd. 4. The amounts necessary to make payments for bonds issued and for interest thereon, including the bonds and interest thereon, issued as authorized by section 275.125, subdivision 3, clause (7) (C), as it read in Minnesota Statutes 1974 ; ; and the amounts necessary for repayment of debt service loans and capital loans ; ; the amount authorized for capital expenditures pursuant to section 124.04 ; ; and the amount authorized for liabilities of dissolved districts pursuant to section 122.45 ; and the amounts necessary to pay the district's obligations under section 268.06, subdivision 25 ; and the amounts necessary to pay the district's obligations under section 127.05.

Sec. 54. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

*Subd. 4a. In 1976 and each year thereafter, a district may levy the amounts necessary to pay assessments for local improvements levied on property owned by the school district pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property.*

Sec. 55. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 9, is amended to read:

Subd. 9. (1) Districts which receive payments which result in deductions from foundation aid pursuant to section 124.212, subdivision 8a, shall reduce the permissible levies authorized by subdivisions 3 to 14 by 25 percent in 1973, 50 percent in 1974, 75 percent in 1975, and 100 percent for each year thereafter of that portion of the previous year's payment not deducted from foundation aid on account of the payment, unless such a levy reduction is otherwise required by law. The levy reductions shall be made in the proportions that each permissible levy bears to the sum of the permissible levies. *Reductions in levies of the applicable proportions of amounts received pursuant to sections 124.215, subdivision 2a; 124.25; 124.28; 124.30; 473.633; and 473.635, shall be made prior to the reductions in clause (2).*

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; and any law imposing a tax upon severed mineral values, or under any other law distributing proceeds

in lieu of ad valorem tax assessments on copper or nickel properties; shall not include a portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by section 275.125 to be spread in the calendar year in which the deduction from foundation aid is made pursuant to section 124.212, subdivision 8a, by the portion of the previous fiscal year's payment which was not deducted from foundation aid in that calendar year pursuant to section 124.212, subdivision 8a.

*(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to section 275.125, subdivision 2a, to an amount less than the amount equal to the amount raised by a levy of 10 mills times the adjusted assessed valuation of that district for the preceding year as determined by the equalization aid review committee. Moreover, the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2a, clause (4) shall not be reduced pursuant to this subdivision.*

*(4) Notwithstanding any law to the contrary, any amounts received by districts pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; and any law imposing a tax on several mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; and not deducted from foundation aid pursuant to section 124.212, subdivision 8a, clause (2), and not reduced from levies pursuant to this subdivision, shall be deposited prior to May 1 in the taconite property tax relief fund established pursuant to section 16A.70 for purposes of paying the taconite homestead credit provided in section 273.135.*

Sec. 56. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

*Subd. 9a. (1) In 1977 and each year thereafter in which so required by this subdivision, a district shall make an additional levy to eliminate its operating debt, determined as of June 30, 1977 and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall specify its amount. This levy shall in each year be an amount which is equal to the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee; provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. When the cumulative proceeds of the levies made pursuant to this subdivision equal an amount equal to the statutory operating debt of the district, the levy shall be discontinued.*

*(2) The district shall establish a special account which shall be designated "Reserve Account for Purposes of Reducing Statutory Operating Debt" on its books and records. This account shall reflect*

*the proceeds of the levy authorized pursuant to this subdivision. The proceeds of this levy, as reflected in this account, 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 Minnesota Statutes Section 275.125, Subdivisions 2a and 6 or 7 in that same year.*

Sec. 57. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

*Subd. 11a. In 1976 and each year thereafter, a district may levy an amount equal to the amount of the employer contributions paid, in the fiscal year prior to the year in which the levy is certified, pursuant to the provisions of sections 353.28 and 355.299, less the amount paid pursuant to the provisions of sections 353.28 and 355.299 in fiscal year 1974. In no event shall the levy authorized pursuant to this subdivision exceed an amount equal to the amount raised by a levy of one mill times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee.*

Sec. 58. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 14, is amended to read:

Subd. 14. Districts maintaining a post-secondary vocational-technical school may levy additional amounts as follows:

(1) A district maintaining a post-secondary vocational-technical school shall assume responsibility for a local share of the district post-secondary vocational deficit. The local share shall be 30 percent, or 15 percent in Independent School District Nos. 595 and 793, of the district post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education pursuant to section 124.561, subdivision 4.

(2) For the purpose of eliminating the local share of its post-secondary vocational deficit, a district may petition the commissioner of education for authority to make an additional levy. Before such a levy may be made, it must be approved by the commissioner. The approval shall specify the years in which the additional levy may be made and shall specify its dollar amount. No levy so approved shall be made in more than four successive years, beginning with the levy certified in 1975, and shall not annually exceed .25 mills in a district in a city of the first class, 1.5 mills in districts formed pursuant to Laws 1969, Chapter 1060, as amended; Laws 1969, Chapter 775, as amended; or Laws 1967, Chapter 822, as amended, or three mills in any other district maintaining a post-secondary vocational-technical school times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. Under no circumstances may a district levy a total amount greater than the local share of its post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education.

(3) If the additional levy allowed in clause (2) of this subdivision would be insufficient to eliminate the local share of the district's post-secondary vocational deficit as of July 1, 1975, as

certified to the commissioner of education, it may petition the commissioner of education for authority to issue general obligation bonds in an amount sufficient to meet the deficiency. Before the bonds may be issued, they must be authorized by the commissioner. The authorization shall specify a term not to exceed seven years and the amount of the bond issue provided that the ~~levy authorization to pay the principal and interest on the bonds may amount of principal and interest due in any year on the bonds will not~~, based on the 1974 adjusted assessed valuation of the district as determined by the equalization aid review committee, ~~annually~~ exceed .25 mills in a district in a city of the first class, .5 mills in districts formed pursuant to Laws 1969, Chapter 1060, as amended; Laws 1969, Chapter 775, as amended; or Laws 1967, Chapter 822, as amended, or six mills in any other district maintaining a post-secondary vocational-technical school ~~times the 1974 adjusted assessed valuation of the district as determined by the equalization aid review committee~~; provided, however, that the mill limitation is subject to the provisions of section 475.74. The bonds authorized by this section shall be secured, sold and issued pursuant to the provisions of Chapter 475, except as otherwise provided herein. The bonds shall not be included in computing any debt limitation for a ~~the~~ district and no election shall be required for their sale and issuance.

(4) A district may not be authorized an additional levy under both clauses (2) and (3) of this subdivision.

(5) The state shall assume responsibility for 70 percent, or in Independent School District Nos. 595 and 793 for 85 percent, of a district's post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education. The state portion of the deficit shall be paid to each district in fiscal years 1977 and 1978 in two equal payments, provided that the levy for the district's portion of the deficit has been approved by the commissioner and the required portion for the 1975 levy has been certified to the county auditor.

Sec. 59. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 15, is amended to read:

Subd. 15. Any district which in any year levies an amount which is greater than the amount allowed by subdivisions 2a to 14, shall lose an amount of state foundation aid equal to one-half of the excess in the levy; ~~provided that~~ However, if any levy which is found to be excessive as a result of a decision of the tax court or a redetermination by the equalization aid review committee under section 124.212, subdivisions 11 to 18, ~~shall not be compensated for in the next levy of the district~~ the amount of the excess shall be deducted from the levy certified in the next year for the same purpose; provided that if no levy is certified in the next year for the same purpose or if the amount certified is less than the amount of the excess, the excess shall be deducted from that levy and the levy certified pursuant to subdivision 2a. The amount of aid lost shall be deducted from the aid which would otherwise have been received for the school year which commences in the calendar year during which the excessive levy

is being collected. Any foundation aid so withheld shall be withheld in accordance with the procedures specified in section 124.15. A levy made in 1971 prior to the effective date of Extra Session Laws 1971, Chapter 31, Article 20 shall be reviewed, and may be modified, by the appropriate authority of the district for the purpose of reducing such levy to conform to the limitation imposed by Extra Session Laws 1971, Chapter 31, Article 20. Any reduction in such levy made prior to December 16, 1971 shall be given the same effect as though such reduction had been made prior to the expiration of the time allowed by law for making the levy.

Sec. 60. Minnesota Statutes 1974, Section 353.28, Subdivision 8, is amended to read:

Subd. 8. If the taxes authorized to be levied under this section cause the total amount of taxes levied to exceed any limitation upon the power of a county, city, or town, or school district to levy *levy* taxes, the governmental subdivision concerned, if it is other than a school district, may levy taxes in excess of the limitation in such amount as is necessary to meet its obligations under this section. *School districts may levy amounts pursuant to this subdivision only to the extent allowed by section 57 of this act.* The expenditures authorized to be made under this chapter by any municipality are not included in computing the cost of government as defined in any home rule charter of any municipality affected by Laws 1957, Chapter 935.

Sec. 61. Minnesota Statutes 1974, Section 355.299, is amended to read:

355.299 [OBLIGATIONS OF POLITICAL SUBDIVISIONS.] Each political subdivision is hereby authorized and directed to pay its obligations under this act from moneys collected from taxes or other revenues. Each political subdivision authorized to levy taxes may include in its tax levy the amount necessary to pay such obligations. If the taxes authorized to be levied under this section cause the total amount of taxes levied to exceed any limitation whatsoever under the power of the political subdivision to levy taxes, such political subdivision, if it is other than a school district, may levy taxes in excess of the limitation in such amount as is necessary to meet its obligation under this act. *School districts may levy amounts pursuant to this section only to the extent allowed under section 57 of this act.* The expenditures authorized to be made shall not be included in computing the cost of government as defined in any home rule charter or charter of any city affected thereby. The governing body of a municipality for the purposes of meeting its obligations hereunder, in the event of deficit, may issue its obligations payable in not more than two years in an amount which may cause its indebtedness to exceed any statutory or charter limitation without an election and may levy taxes and pay therefor in a manner provided in section 475.61 and acts amendatory thereto.

Sec. 62. *Subdivision 1. The appropriation in Laws 1975, Chapter 432, Section 96, Clause (1) includes \$300,000 in 1976 for emergency aid in addition to the sum already appropriated for that purpose in that clause.*

*Subd. 2. The department of education is authorized to pay school districts sufficient sums from the appropriations in Laws 1975, Chapter 432, Section 96, Clause (2) for the years ending June 30, 1976 and 1977, to insure that each district receives the same amount for depreciation on buses which are nine or more years of age as of July 1, 1975 as the district would have received for those buses had the depreciation computation remained at ten percent per year for 1976 and 1977 in section 124.222. The state shall not be obligated for any amount in excess of this appropriation in future years because of this change in computation method.*

*Subd. 3. The commissioner of education is authorized to adjust the base cost per eligible pupil transported in the 1974 fiscal year for purposes of payment of transportation aids in the 1976 and 1977 fiscal years. This adjustment shall be made on the basis of the study mandated by the provisions of Minnesota Statutes, 1975 Supplement, Section 124.222, Subdivision 5. Any increases in state transportation aid necessitated by these adjustments shall be paid from the sums appropriated for those years pursuant to Laws 1975, Chapter 432, Section 96, Clause (2).*

*Subd. 4. The department of education is authorized to pay \$27,090.75 from the sum appropriated pursuant to Laws 1975, Chapter 432, Section 96, Clause (1) for the year ending June 30, 1976, to Independent School District No. 332 for foundation aid not paid in fiscal years 1972 and 1973.*

*Subd. 5. The department of education is authorized to pay \$5,501.58 from the sum appropriated pursuant to Laws 1975, Chapter 432, Section 96, Clause (1) for the year ending June 30, 1976, to Independent School District Numbers 200, 213, 276, and 492 for payment of unpaid aid for shared time instructional programs determined to be due by the public examiner.*

*Subd. 6. The appropriation in Laws 1975, Chapter 432, Section 96, Clause (2) for the year ending June 30, 1977 includes the sum of \$116,500 for shared time transportation in addition to the sum appropriated for that purpose in that clause.*

*Subd. 7. Notwithstanding the provisions of Laws 1975, Chapter 433, Section 2, Subdivision 9, Paragraph 4, the council on quality education may transfer \$31,110 from the appropriation in Laws 1975, Chapter 433, Section 2, Subdivision 4, Clause 2, to the appropriation in Laws 1975, Chapter 433, Section 2, Subdivision 4, Clause 1.*

Sec. 63. [APPROPRIATION.] *There is appropriated from the general fund of the state treasury to the department of education the following sums for the years and purposes indicated:*

*For the year ending June 30*

	<i>1976</i>	<i>1977</i>
<b>(1) Special Education Aid . . . . .</b>	<b>\$2,200,000</b>	<b>\$1,925,000</b>

**(a)** *The appropriations in (1) shall be added to the sums appropriated for the years designated in Laws 1975, Chapter 432, Section 96, Clause (3).*

**(b)** *The appropriation in (1) for the year ending June 30, 1976 includes \$200,000 for reimbursement of expenses incurred by school districts for programs involving services for handicapped children whose districts of residence are determined pursuant to Minnesota Statutes, Section 120.17, Subdivision 8a and who are placed in state institutions or licensed residential facilities for care and treatment for the 1975-76 school year and 1976 summer school. This reimbursement shall be made on the same basis and at the same rate as for the 1974-75 school year and 1975 summer school. This reimbursement shall be made notwithstanding the provisions of Minnesota Statutes, 1975 Supplement, Section 124.32, Subdivision 3a.*

**(c)** *The appropriation in (1) for the year ending June 30, 1976 includes \$2,000,000 for the payment of special education aid for 1976 summer school programs. These programs shall be reimbursed on the same formula as were 1975 summer school programs. This reimbursement shall be made notwithstanding the provisions of Minnesota Statutes, 1975 Supplement, Section 124.32, Subdivision 3a.*



1976

1977

- (4) *Transfer of the Minnesota school for the deaf and the Minnesota braille and sight-saving school . . . . .*

\$ 30,000

*The appropriation in (4) is for the purpose of planning the transfer of the Minnesota school for the deaf and the Minnesota braille and sight-saving school from under the jurisdiction of the commissioner of welfare to the state board of education. Not to exceed \$20,000 of the appropriation in (4) shall be used to hire additional personnel beyond the existing complement of the department of education for this purpose.*

- (5) *Implementation of the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

\$ 100,000

*The appropriation in (5) is for the implementation of the Uniform Financial Accounting and Reporting System for Minnesota School Districts. This appropriation shall be used for dissemination of materials, inservice training of public school personnel, and for additional departmental personnel necessary to implement this system; provided that not to exceed \$50,000 of this appropriation shall be used to hire additional personnel beyond the existing complement of the department for this purpose. Any unexpended balance remaining from the appropriation in (5) shall not cancel but shall be available for the second year of the biennium.*

- (6) *Educational Alternative Programs . . . . .*

\$1,500,000

*The appropriation in (6) shall be used by the council on quality education for funding educational alternative programs pursuant to section 3 of this act. Not to exceed \$37,500 of the appropriation in (6) may be expended for administration and evaluation of these programs by the council and for the employment of personnel by the council, beyond the existing complement of the department of education, for those purposes.*

**Sec. 64. [REPEALER.]** *Subdivision 1. Minnesota Statutes 1974, Sections 122.54; 275.39, and Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 11 are repealed.*

*Subd. 2. Minnesota Statutes 1974, Sections 248.01; 248.02; 248.03; 248.04; 248.05; 248.06; and 248.09, are repealed. This subdivision shall be effective July 1, 1977.*

*Subd. 3. Minnesota Statutes 1974, Sections 124.28 as amended by Laws 1975, Chapter 432, Section 44; Minnesota Statutes 1974, Sections 124.281 and 124.29, are repealed. This subdivision shall be effective July 1, 1979.*

**Sec. 65. [EFFECTIVE DATES.]** *Sections 1, 2, 3, 5, 10, 12, 13, 14, 17, 25, 26, 27, 29, 30, 32, 33, 52, 58, 59, 62, 63, and 64 of this act shall be effective the day following final enactment. Sections 9, 11, 18, 19, 34, 35, 36, 37, 40, 51, 53, 54, 55, 56, 57, 60, and 61 shall be effective July 1, 1976. Section 8 of this act shall be effective August 15, 1976. Sections 6, 7, 15, 16, 20, 22, 23, 24, 28, 31, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, and 50 shall be effective July 1, 1977. Section 4 of this act shall be effective August 15, 1977."*

Further, amend the title by striking it in its entirety, and insert the following:

"A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to school districts, the commissioner of education, the state board of education, and the state board for vocational education; establishing a uniform definition of school age for all handicapped children; transferring the Minnesota school for the deaf and the Minnesota braille and sight-saving school from the jurisdiction of the commissioner of welfare to the state board of education; prohibiting certain fees; providing for the adoption of the Uniform Financial Accounting and Reporting System for Minnesota School Districts; appropriating money; amending Minnesota Statutes 1974, Sections 120.17, Subdivisions 2 and 5, and by adding subdivisions; 120.74, Subdivision 1; 121.21, by adding a subdivision; 123.37, Subdivisions 1 and

1b; 124.222, by adding a subdivision; 124.32, as amended; Chapter 124, by adding a section; Chapter 137 by adding a section; 246.01; 248.07, Subdivision 3; 353.28, Subdivision 8; 355.299; Minnesota Statutes, 1975 Supplement, Sections 120.17, Subdivision 1; 124.04; 124.17, Subdivision 2; 124.212, Subdivision 8a; 124.223; 124.26, by adding a subdivision; 124.32; 124.561, Subdivision 3, and by adding a subdivision; 124.562, Subdivision 2; 124.563, Subdivision 3; 124.-565, Subdivision 2; 275.125, Subdivisions 2a, 4, 9, 14, 15, and by adding subdivisions; repealing Minnesota Statutes 1974, Sections 122.54; 124.28, as amended; 124.281; 124.29; 248.01; 248.02; 248.-03; 248.04; 248.05; 248.06; 248.09; 275.39; Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 11.”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1884: A bill for an act relating to accident and health insurance; providing a conversion privilege for divorced spouses.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Chapter 62A, is amended by adding a section to read:

[62A.21] [CONVERSION PRIVILEGES FOR INSURED FORMER SPOUSES.] *Subdivision 1. No policy of accident and health insurance providing coverage of hospital or medical expense on either an expense incurred basis or other than an expense incurred basis, which in addition to covering the insured also provides coverage to the spouse of the insured shall contain a provision for termination of coverage for a spouse covered under the policy solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage.*

*Subd. 2. Every policy described in subdivision 1 which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision to the effect that upon the entry of a valid decree of dissolution of marriage between the insured parties the spouse whose marriage has been dissolved shall be entitled to have issued to him or her, without evidence of insurability, upon application made to the company within 30 days following the entry of the decree, and upon the payment of the appropriate premium, an individual policy of accident and health insurance. The policy shall provide the coverage then being issued by the insurer which is most nearly similar to, but not greater than, the terminated coverages. Any and all probationary or waiting periods set forth in the policy shall be considered as being met to the extent coverage was in force under the prior policy.*

*Subd. 3. This section applies to every policy of accident and health insurance which is delivered, issued for delivery, renewed or amended on or after the effective date of this section.*

Sec. 2. Minnesota Statutes 1974, Chapter 62C, is amended by adding a section to read:

[62C.142] [CONVERSION PRIVILEGE FOR FORMER SPOUSES.] *Subdivision 1. No subscriber contract of a nonprofit health service plan corporation which in addition to covering the subscriber, also covers the subscriber's spouse shall contain a provision for termination of coverage for a spouse covered under the subscriber contract solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage between the parties.*

*Subd. 2. Every subscriber contract, other than a contract whose continuance is contingent upon continued employment or membership, which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision to the effect that upon the entry of a valid decree of dissolution of marriage between the covered parties the spouse whose marriage was dissolved shall be entitled to have issued to him or her, without evidence of insurability, upon application made to the corporation within 30 days following the entry of the decree and upon the payment of the appropriate fee, an individual subscriber contract. The contract shall provide the coverage then being issued by the corporation which is most nearly similar to, but not greater than, the terminated coverage. Any probationary or waiting period set forth in the conversion contract shall be considered as being met to the extent coverage was in force under the prior contract.*

*Subd. 3. This section applies to every subscriber contract which is delivered, issued for delivery, renewed or amended on or after the effective date of this section.*

Sec. 3. Minnesota Statutes 1974, Chapter 62D, is amended by adding a section to read:

[62D.101] [CONVERSION PRIVILEGES FOR FORMER SPOUSES.] *Subdivision 1. No health maintenance contract which in addition to covering an enrollee, also covers the enrollee's spouse shall contain a provision for termination of coverage for a spouse covered under the health maintenance contract solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage between the parties.*

*Subd. 2. Every health maintenance contract, other than a contract whose continuance is contingent upon continued employment or membership, which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision to the effect that upon the entry of a valid decree of dissolution of marriage between the covered parties the spouse whose marriage was dissolved shall be entitled to have issued to him or her, without evidence of insurability, upon application made to the health maintenance organization within 30 days following the entry of the decree, and upon the payment of the appropriate fee, an individual health maintenance contract. The contract shall provide the coverage then being issued by the organization which is most nearly similar to, but not greater than, the terminated coverage. Any probationary or waiting period set forth in the conversion contract shall be considered as being met to the extent coverage was in force under the prior contract.*

*Subd. 3. This section applies to every health maintenance contract which is delivered, issued for delivery, renewed or amended on or after the effective date of this section.*

*Sec. 4. This act is effective 60 days after its final enactment."*

Further, delete the title in its entirety and insert:

"A bill for an act relating to health care; providing conversion privileges for spouses whose marriage was dissolved under certain accident and health insurance policies, health service plan subscriber contracts and health maintenance contracts; amending Minnesota Statutes 1974, Chapters 62A, by adding a section; 62C, by adding a section; and 62D, by adding a section."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2099: A bill for an act relating to the operation and structure of state government; eliminating certain qualifications for the office of commissioner of personnel; amending Minnesota Statutes 1975, Section 43.001, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, reinsert the stricken language

Page 1, line 15, reinsert "position including"

Page 1, line 15, after the stricken word "five" insert "at least three"

Page 1, line 15, reinsert the stricken "years"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. 2109: A bill for an act relating to the operation of state government; providing for a study on improving public access to state services and facilities; requiring a report.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 14, insert:

"Sec. 4. [APPROPRIATION.] The sum of \$14,250 is hereby appropriated to carry out the provisions of this act."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "report" insert "; appropriating money"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2232: A bill for an act relating to optometric services; providing for inclusion of optometric services in benefits for expenses incurred for medical treatment or services; amending Minnesota Statutes 1974, Section 62A.15, Subdivision 1, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike "*for*"

Page 1, line 17, strike "*chiropractic services,*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 2056: A bill for an act relating to the city of Duluth; authorizing residential property rehabilitation loans.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, after "loans" insert "and grants"

Page 1, line 11, strike "which loans may include payments" and insert "including grants"

Further amend the title:

Page 1, line 3, after "loans" insert "and grants"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 60: A bill for an act relating to insurance; providing for the establishment and administration of plans of health insurance to provide certain minimum benefits to all persons in the state; creating a health security advisory commission; creating a comprehensive health care association; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "14" and insert "17"

Page 1, line 11, strike "1975" and insert "1976"

Page 1, line 12, after "minimum" insert "health insurance"

Page 1, line 13, strike "14" and insert "17"

Page 2, line 3, strike "commission" and insert "commissioner"

Page 2, line 11, strike "commission" and insert "commissioner"

Page 2, line 11, strike "miniumum" and insert "minimum"

Page 2, strike lines 13-14 and insert:

"Subd. 6. "Commissioner" means the commissioner of insurance."

Page 2, line 16, strike "or" and insert a comma

Page 2, line 18, before the period insert "or a dependent child of any age who is disabled"

Page 3, line 6, after "hospital" insert ", surgical"

Page 3, after line 6, insert:

" "Policy" does not include coverage which is (1) limited to disability or income protection coverage, (2) automobile medical payment coverage, (3) supplemental to liability insurance, or (4) sold by fraternal and provides payments on a per diem, daily indemnity or non-expense incurred basis."

Page 3, line 26, strike "commission" and insert "commissioner"

Page 3, line 28, strike "a qualified plan" and insert "the number two qualified plan offered through the association"

Page 3, line 30, after "a" insert "number two individual"

Page 4, line 3, strike "carrier" and insert "insurer or insurers"

Page 4, line 4, strike "commission" and insert "association"

Page 4, line 12, strike "provided" and insert "sells"

Page 4, line 16, strike "by the commission"

Page 4, line 18, before "qualified" insert "number two"

Page 4, line 22, strike ", may offer and" and insert "shall"

Page 4, line 24, strike "health security advisory commission" and insert "commissioner"

Page 4, line 27, strike "three" and insert "two"

Page 4, line 30, strike "three" and insert "two"

Page 5, line 4, strike "offer" and insert "make available at least"

Page 5, line 5, after "a" insert "number two"

Page 5, strike lines 9 through 32

Page 6, strike lines 1 through 32

Page 7, strike lines 1 through 32

Page 8, strike lines 1 through 32

Page 9, strike lines 1 through 32

Page 10, strike lines 1 through 6

Page 10, line 10, strike "of insurance"

Page 10, line 11, after "of" insert "each type of"

Page 10, line 17, strike "of insurance"

Page 10, line 25, strike "of insurance"

Page 10, line 27, after "of" insert "each type of"

Page 11, line 8, strike "or deductible"

Page 11, line 8, strike "commission" and insert "commissioner"

Page 11, line 11, after "issued" insert "or renewed"

Page 11, line 31, after "requirements" insert "for coverage"

Page 11, line 32, strike "the laws of this state" and insert "Minnesota Statutes, Chapter 62A"

Page 12, line 1, strike "1976" and insert "1977"

Page 12, line 2, strike "1977" and insert "1978"

Page 12, line 6, strike "1978" and insert "1979"

Page 12, line 7, strike "1978" and insert "1979"

Page 12, line 11, strike "1979" and insert "1980"

Page 12, line 17, strike "1976" and insert "1977"

Page 12, line 19, strike "100" and insert "80"

Page 12, strike lines 31 and 32

Page 13, strike lines 1 and 2

Renumber subsequent clauses in sequence

Page 13, line 5, before the semicolon insert "if the services commence within 14 days following confinement of at least three days in a hospital for the same condition"

Page 13, line 12, after "rental" insert "or purchase, as appropriate,"

Page 13, line 13, strike "Diagnositic" and insert "Diagnostic"

Page 13, line 23, after "an" insert "injury"

Page 13, line 24, after "law," strike "or"

Page 13, line 28, before the semicolon insert ", or (iii) for which benefits are payable under another policy of accident and health insurance"

Page 13, line 30, before the semicolon, insert "or birth defect"

Page 14, line 4, before the semicolon, insert ", unless a private room is prescribed as medically necessary by a physician"

Page 14, strike lines 5 through 8

Renumber subsequent clauses in sequence

Page 14, line 9, before "Any" insert "That part of"

Page 14, line 11, strike "that" and insert "which"

Page 15, line 6, strike "subdivision" and insert "this section"

Page 15, line 7, strike "2"

Page 15, line 7, strike "\$150" and insert "\$500"

Page 15, line 8, strike everything after "person."

Page 15, strike line 9

Page 15, line 13, strike "60" and insert "80"

Page 15, line 13, strike "subdivision" and insert "this section"

Page 15, line 14, strike "2"

Page 15, line 14, strike "\$150" and insert "\$750"

Page 15, line 15, strike everything after "person."

Page 15, strike line 16

Page 15, line 19, after "a" insert "number three"

Page 15, strike lines 20 through 32 and insert:

"Sec. 7. [QUALIFIED MEDICARE SUPPLEMENT PLAN.] Any plan which provides benefits to persons over the age of 65 years may be certified as a qualified medicare supplement plan if the plan is designed to supplement medicare and provides coverage of 50 percent of the deductible or copayment required under Parts A and B of medicare and 80 percent of the charges for covered services described in section 6, subdivision 1, which are not paid by parts A and B of medicare. The coverage shall include a limitation of \$1,000 per person on total annual out-of-pocket expenses for covered services. The coverage shall be subject to a maximum lifetime benefit of not less than \$100,000."

Page 16, strike lines 1 through 32

Page 17, strike lines 1 through 30

Page 17, line 31, strike "Subd. 4." and insert "Sec. 8."

Page 17, line 31, strike "commission" and insert "commissioner"

Page 18, line 1, strike "1975" and insert "1976"

Page 18, line 1, strike "and direct" and insert a period

Page 18, strike line 2

Page 18, line 3, strike "commission" and insert "commissioner"

Page 18, line 3, strike "promulgate,"

Page 18, line 4, strike "and regulations"

Page 18, line 9, strike "Select" and insert "Approve the selection of"

Page 18, line 9, after "carrier" insert "by the association"

Page 18, line 9, after "and" insert "the association's"

Page 18, line 11, after "Appoint" insert "advisory"

Page 18, strike lines 12 through 14 and insert "(e) Contract with insurers and others for administrative services;"

Page 18, line 17, after the semicolon insert "and"

Page 18, strike lines 18 and 19

Page 18, line 20, strike "(h)" and insert "(g)"

Page 18, line 23, strike "1975" and insert "1976"

Page 18, line 25, strike "; and" and insert a period

Page 18, strike lines 26-32

Page 19, line 8, strike "commission" and insert "commissioner"

Page 19, line 15, strike "1976" and insert "1977"

Page 19, after line 18, insert:

"Subd. 4. In the performance of their duties as members of the association, the members shall be exempt from the provisions of Minnesota Statutes, Sections 325.8011 to 325.8028."

Page 19, line 21, strike "commission" and insert "commissioner"

Page 19, line 27, before the period insert "and their employers"

Page 20, line 7, after "shall" insert "contribute to the costs of the association and"

Page 20, line 12, strike "five" and insert "ten"

Page 20, line 12, after "from" strike "the"

Page 20, strike line 13

Page 20, strike lines 27 and 28 and insert a period

Page 21, line 3, strike "five" and insert "ten"

Page 21, line 5, strike "or credited to"

Page 21, line 9, before "qualified" insert "number two"

Page 21, line 15, strike "commission" and insert "commissioner"

Page 21, line 18, strike "commission" and insert "commissioner"

Page 21, line 20, strike "of insurance"

Page 21, line 21, strike "d"

Page 21, line 22, strike "commission" and insert "association"

Page 21, line 27, strike "guaranteed"

Page 21, line 29, strike "commission" and insert "association"

Page 22, line 8, strike "commission" and insert "commissioner and the association"

Page 22, line 10, strike "commission" and insert "association"

Page 22, line 12, strike "commission" and insert "association"

Page 22, line 18, after "entitled" insert ", with whom claims are to be filed"

Page 22, line 18, after "whom" insert "benefits are"

Page 22, line 18, after the period, insert "The certificate shall indicate that coverage was obtained through the association."

Page 22, line 20, strike "commission" and insert "commissioner and the association"

Page 22, line 22, strike "commission" and insert "commissioner and the association"

Page 23, line 7, strike "commission" and insert "commissioner"

Page 23, line 15, strike "COMMISSION" and insert "COMMISSIONER"

Page 23, strike lines 23 through 27

Page 23, line 30, strike "during the" and insert a period

Page 23, strike lines 31 and 32

Page 24, line 1, strike "established by the commission."

Page 24, line 3, strike "commission" and insert "writing carrier"

Page 24, line 14, strike "COMMISSION'S" and insert "COMMISSIONER'S"

Page 24, line 16, strike "commission" and insert "writing carrier"

Page 24, after line 22, insert:

"Subd. 3. No person who obtains coverage pursuant to this section shall be covered for any pre-existing condition during the first six months of coverage under the state plan if the person was treated for that condition during the 90 days immediately preceding the filing of an application."

Page 24, line 26, strike "commission" and insert "commissioner"

Page 25, line 1, strike "commission" and insert "commissioner"

Page 25, after line 3, insert:

"Sec. 15. [DUAL OPTION.] Subdivision 1. An employer who employs in this state, on the average during a calendar quarter, 100 employees or more, other than seasonal employees as defined in Minnesota Statutes 1974, Section 268.07, Subdivision 5, and who offers a health benefits plan to employees, whether (i) purchased from an insurer or a health maintenance organization, or (ii) provided on a self insured basis, shall, upon the next renewal of the health benefits plan contract, offer his employees a dual option to obtain health benefits through either an accident and health insurance policy or a health maintenance organization contract if one is available.

Subd. 2. An employer may make the dual offers through an insurer, a health maintenance organization or on a self insured basis. If an offer

is made on a self insured basis, the accident and health insurance type of coverage or health maintenance organization type of coverage shall meet the requirements of the laws of this state but need not be approved by the commissioner or the board of health.

Subd. 3. No insurer which is also certified as a health maintenance organization shall submit a bid to an employer for providing the dual option required by this section which combines the bids for the accident and health insurance policy and the health maintenance organization contract in one bid or a single price package.

Subd. 4. The board of health, in consultation with the commissioner, shall adopt rules to implement the provisions of this section.

Sec. 16. Minnesota Statutes 1974, Section 62D.12, is amended by adding subdivisions to read:

*Subd. 10. Any health maintenance organization which includes coverage of comprehensive dental services in its comprehensive health maintenance services shall not include the charge for the dental services in the same rate as the charge for other comprehensive health maintenance services. The rates for dental services shall be computed and stated separately.*

*Subd. 11. No health maintenance organization which offers coverage of comprehensive dental services in its comprehensive health maintenance services shall contract with licensed dentists unless all licensed dentists in the geographic area served by the health maintenance organization have the opportunity to serve as providers of the dental services.*

*Subd. 12. No health maintenance organization shall construct a clinic facility for the provision of dental services unless it owns an existing facility for the provision of comprehensive health maintenance services.*

Sec. 17. [CONVERSION PRIVILEGES.] Every policy of group accident and health insurance or contract of coverage by a health maintenance organization written or renewed in this state, shall include, in addition to the provisions required by Minnesota Statutes, Section 62A.17, the right to convert to an individual coverage qualified plan without the addition of underwriting restrictions regardless of the reason for leaving the group. The person leaving the group may exercise his right to conversion within 30 days of leaving the group. Plans of health coverage shall also include a provision which, upon the death of the individual in whose name the contract was issued, permits every other individual then covered under the contract to elect, within the period specified in the contract, to continue his coverage under the same or a different contract until such time as he would have ceased to have been entitled to coverage had the individual in whose name the contract was issued lived. The provisions of this section shall also apply to any group policy issued pursuant to section 13 of this article."

Underline all new language in the bill

Page 25, line 4, strike "Subdivision 1."

Page 25, line 5, before "is" insert "75,000"

Page 25, line 6, strike "commission" and insert "commissioner"

Page 25, strike lines 8 through 14 and insert:

"Sec. 19. [EFFECTIVE DATE.] Sections 2, 4 to 6, 15 and 17 shall be effective January 1, 1977; sections 3, and 7 to 16 shall be effective on the date of their final enactment."

Renumber sections in sequence

Amend the title as follows:

Page 1, strike line 6

Page 1, line 7, after the semicolon, insert "providing a dual option for health care for certain employees; regulating health maintenance organizations' coverage of dental services and conversion privileges;"

Page 1, line 8, before the period, insert ": amending Minnesota Statutes 1974, Section 62D.12, by adding subdivisions"

And when so amended the bill do pass and be re-referred to the Committee on Health, Welfare and Corrections. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 2011 for comparison to companion Senate Files, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				2011	1869

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2011 be amended as follows:

Page 2, line 30, delete "and"

Page 3, line 19, delete "over a period" and insert "and" and delete "to"

And when so amended, H. F. No. 2011 will be identical to S. F. No. 1869 and further recommends that H. F. No. 2011 be given its second reading and substituted for S. F. No. 1869 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 2252, 2112, 2180, 1821, 1078, 2147, 1753, 1776, 2037, 1861, 1981, 2023, 2024, 2070, 2151, 2172, 2233, 2318, 175, 100, 1587, 1097, 612, 2175, 1967, 2251, 1673, 2025, 2027, 2362, 1859, 2355, 1624, 1619, 1927, 2254, 1942, 1499, 2173, 1884, 2099, 2232 and 2056 were read the second time.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 527, 525, 1078, and 2011 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Chenoweth moved that the name of Mr. Doty be added as co-author to S. F. No. 2379. The motion prevailed.

Mr. Conzemius moved that S. F. No. 2288 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Governmental Operations. The motion prevailed.

Mr. Hansen, Baldy moved that S. F. No. 2334 be withdrawn from the Committee on Labor and Commerce and re-referred to the Committee on Health, Welfare and Corrections. The motion prevailed.

Mr. Borden moved that his name be stricken and the name of Mr. Wegener be added as chief author to S. F. No. 724. The motion prevailed.

Mr. Borden moved that the name of Mr. Ashbach be added as co-author to S. F. No. 1789. The motion prevailed.

Mr. Borden moved that the name of Mr. Ashbach be added as co-author to S. F. No. 1790. The motion prevailed.

Mr. Borden moved that the name of Mr. Sillers be added as co-author to S. F. No. 1799. The motion prevailed.

Mr. Olson, A. G. moved that the name of Mr. Dunn be added as co-author to S. F. No. 2440. The motion prevailed.

Mr. Borden moved that the name of Mr. Humphrey be added as co-author to S. F. No. 2342. The motion prevailed.

Mr. Laufenburger moved that S. F. No. 1851 be withdrawn from the Committee on Transportation and General Legislation and re-referred to the Committee on Metropolitan and Urban Affairs. The motion prevailed.

Mr. Laufenburger moved that the name of Mr. Frederick be added as co-author to S. F. No. 2454. The motion prevailed.

Mr. Perpich, G. moved that the name of Mr. Stassen be added as co-author to S. F. No. 1914. The motion prevailed.

Mr. Tennesen moved that H. F. No. 749 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

**ADOPTION OF CONFERENCE COMMITTEE REPORT**

Mr. Tennesen moved that the recommendations and Conference Committee Report as printed in the Journal January 27, 1976 on H. F. No. 749 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Jensen moved that the Senate refuse to adopt the Conference Committee Report on H. F. No. 749, that the Committee on Commit-

tees appoint a new Conference Committee consisting of 5 members on the part of the Senate and that the House be advised of the Senate action and be requested to appoint a like Committee to confer on the differences between the Senate and the House on H. F. No. 749.

The question being taken on the adoption of the motion of Mr. Jensen,

And the roll being called, there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Jensen	Olson, H. D.	Ueland
Ashbach	Doty	Josefson	Patton	Wegener
Berg	Dunn	Kowalczyk	Purfeerst	Willet
Bernhagen	Fitzsimons	Moe	Renneke	
Blatz	Hansen, Baldy	Nelson	Schrom	
Borden	Hanson, R.	Olhoff	Solon	
Brown	Hughes	Olson, A. G.	Stassen	

Those who voted in the negative were:

Arnold	Gearty	Knutson	Ogdahl	Schmitz
Bang	Hansen, Mel	Larson	Olson, J. L.	Sillers
Brataas	Humphrey	Laufenburger	O'Neill	Spear
Chenoweth	Keefe, J.	Lewis	Perpich, A. J.	Stokowski
Coleman	Keefe, S.	McCutcheon	Perpich, G.	Stumpf
Conzemius	Kirchner	Milton	Pillsbury	Tennessee
Davies	Kleinbaum	North	Schaaf	

The motion did not prevail.

The question recurred on the motion of Mr. Tennessee to adopt the recommendations and Conference Committee Report on H. F. No. 749. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 749: A bill for an act relating to controlled substances; providing medical and educational intervention, evaluation, and treatment of persons in possession of small amounts of marijuana; providing penalties for possession of small amounts of marijuana; and prohibiting municipalities from enacting ordinances imposing greater civil or criminal penalties than provided by state law for the possession, sale or distribution of small amounts of marijuana; amending Minnesota Statutes 1974, Section 152.15, Subdivision 2, and by adding a subdivision.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

Mr. Doty moved that those not voting be excused from voting.

The question being taken on adoption of the motion,

And the roll being called, there were yeas 37 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Jensen	Olhoff	Schrom
Arnold	Doty	Josefson	Olson, H. D.	Solon
Berg	Dunn	Keefe, J.	O'Neill	Stassen
Bernhagen	Fitzsimons	Kleinbaum	Patton	Wegener
Blatz	Hansen, Baldy	Kowalczyk	Perpich, G.	Willet
Borden	Hansen, Mel	Larson	Pillsbury	
Brataas	Hanson, R.	Moe	Renneke	
Brown	Hughes	Nelson	Schmitz	

Those who voted in the negative were:

Coleman	Keefe, S.	Milton	Purfeerst	Stumpf
Conzemius	Kirchner	North	Schaaf	Tennessee
Davies	Knutson	Ogdahl	Sillers	Ueland
Gearty	Laufenburger	Olson, J. L.	Spear	
Humphrey	Lewis	Perpich, A. J.	Stokowski	

The motion prevailed.

And the roll being called, there were yeas 34 and nays 30, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Kirchner	O'Neill	Sillers
Ashbach	Gearty	Knutson	Patton	Spear
Bang	Hansen, Mel	Laufenburger	Perpich, A. J.	Stokowski
Brataas	Hughes	Lewis	Perpich, G.	Stumpf
Chenoweth	Humphrey	Milton	Pillsbury	Tennessee
Coleman	Keefe, J.	Ogdahl	Renneke	Ueland
Conzemius	Keefe, S.	Olson, J. L.	Schaaf	

Those who voted in the negative were:

Anderson	Chmielewski	Jensen	Nelson	Schmitz
Berg	Doty	Josefson	North	Schrom
Bernhagen	Dunn	Kleinbaum	Olhoff	Solon
Blatz	Fitzsimons	Kowalczyk	Olson, A. G.	Stassen
Borden	Hansen, Baldy	Larson	Olson, H. D.	Wegener
Brown	Hanson, R.	Moe	Purfeerst	Willet

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Laufenburger moved that H. F. No. 2043 be withdrawn from the Committee on Transportation and General Legislation and referred to the Committee on Rules and Administration for comparison with S. F. No. 1942 now on General Orders. The motion prevailed.

Mr. Kleinbaum moved that S. F. No. 830 be taken from the table. The motion prevailed.

#### CONCURRENCE AND REPASSAGE

Mr. Kleinbaum moved that the Senate concur in the amendments by the House to S. F. No. 830 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 830: A bill for an act relating to health care; requiring certain insurance policies and health care plans to provide benefits for health care services rendered in free standing ambulatory surgical centers.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, J.	North	Schaaf
Arnold	Davies	Keefe, S.	Ogdahl	Schmitz
Ashbach	Doty	Kirchner	Olhoft	Schrom
Bang	Dunn	Kleinbaum	Olson, A. G.	Sillers
Berg	Fitzsimons	Knutson	Olson, H. D.	Solon
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Larson	O'Neill	Stassen
Borden	Hansen, Mel	Laufenburger	Patton	Stokowski
Brataas	Hanson, R.	Lewis	Perpich, A. J.	Stumpf
Brown	Hughes	McCutcheon	Perpich, G.	Tennessee
Chenoweth	Humphrey	Milton	Pillsbury	Ueland
Chmielewski	Jensen	Moe	Purfeerst	Willet
Coleman	Josefson	Nelson	Renneke	

So the bill, as amended, was repassed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Moe moved that S. F. No. 919 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

#### ADOPTION OF CONFERENCE COMMITTEE REPORT

Mr. Moe moved that the recommendations and Conference Committee Report as printed in the Journal February 26, 1976 on S. F. No. 919 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 919: A bill for an act relating to the environment; directing creation of an environmental permits coordination unit within the environmental quality council; authorizing an optional consolidated application and hearing procedure for certain permits; directing establishment of permit information centers; appropriating money.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Ogdahl	Schmitz
Arnold	Doty	Kirchner	Olhoft	Schrom
Bang	Dunn	Kleinbaum	Olson, A. G.	Sillers
Berg	Fitzsimons	Knutson	Olson, H. D.	Solon
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Stassen
Blatz	Hansen, Baldy	Larson	O'Neill	Stokowski
Borden	Hansen, Mel	Laufenburger	Patton	Stumpf
Brataas	Hanson, R.	Lewis	Perpich, A. J.	Tennessee
Brown	Hughes	McCutcheon	Perpich, G.	Ueland
Chenoweth	Humphrey	Milton	Pillsbury	Willet
Chmielewski	Jensen	Moe	Purfeerst	
Coleman	Josefson	Nelson	Renneke	
Conzemius	Keefe, J.	North	Schaaf	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chenoweth moved that the name of Mr. Gearty be added as co-author to S. F. No. 2410. The motion prevailed.

### SUSPENSION OF RULES

Mr. Coleman moved that the rules of the Senate be so far suspended as to make the General Orders Calendar a Special Orders Calendar for the following bills: S. F. Nos. 2076, 2057, 1223, 2155, 2051, 1493, 1924, 1838, 1862, 2124, 2223 and H. F. No. 1751. The motion prevailed.

### SPECIAL ORDER

S. F. No. 2076: A bill for an act relating to corrections; permitting the commissioner of corrections to pay inmates of medium-minimum security facilities certain wages and to charge such inmates for room, board, and other expenses incidental to their confinement; amending Minnesota Statutes 1974, Section 241.01, by adding a subdivision.

Mr. Lewis moved to amend S. F. No. 2076 as follows:

Page 2, line 6, after "convicted" insert "of a violation of Minnesota Statutes, Sections 609.185, 609.19, 609.195, 609.20, 609.205, 609.225, 609.342, 609.343, or 609.344"

Page 2, strike lines 7 through 9

The motion prevailed. So the amendment was adopted.

S. F. No. 2076 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 52 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Olson, H. D.	Solon
Arnold	Fitzsimons	Kleinbaum	Olson, J. L.	Spear
Bang	Gearty	Larson	O'Neill	Stokowski
Blatz	Hansen, Mel	Laufenburger	Patton	Stumpf
Brataas	Hanson, R.	Lewis	Perpich, A. J.	Tennessen
Brown	Hughes	McCutcheon	Perpich, G.	Ueland
Chenoweth	Humphrey	Milton	Pillsbury	Wegener
Chmielewski	Jensen	Moe	Renneke	Willet
Coleman	Josefson	North	Schaaf	
Conzemius	Keefe, J.	Ogdahl	Schmitz	
Davies	Keefe, S.	Olhoft	Sillers	

Those who voted in the negative were:

Aashbach	Bernhagen	Hansen, Baldy	Kowalczyk	Schrom
Berg	Doty	Knutson	Nelson	Stassen

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

**SPECIAL ORDER**

S. F. No. 2057: A bill for an act relating to the city of Duluth; liquor license for the arena-auditorium complex; amending Laws 1967, Chapter 406, Section 1, Subdivision 1.

Mr. Solon moved to amend S. F. No. 2057 as follows:

Page 2, line 5, after "in any" insert "*amateur hockey game, or*"

The motion prevailed. So the amendment was adopted.

S. F. No. 2057 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 55 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Jensen	Milton	Schaaf
Arnold	Davies	Josefson	Moe	Schmitz
Ashbach	Doty	Keefe, J.	Nelson	Schrom
Bang	Dunn	Keefe, S.	North	Sillers
Berg	Fitzsimons	Kirchner	Ogdahl	Solon
Bernhagen	Gearty	Kleinbaum	Olson, H. D.	Spear
Blatz	Hansen, Baldy	Knutson	O'Neill	Stassen
Brown	Hansen, Mel	Kowalczyk	Patton	Stokowski
Chenoweth	Hanson, R.	Larson	Perpich, A. J.	Ueland
Chmielewski	Hughes	Laufenburger	Perpich, G.	Wegener
Coleman	Humphrey	McCutcheon	Pillsbury	Willet

Messrs. Olhoft; Olson, J. L.; Renneke and Stumpf voted in the negative.

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

**SPECIAL ORDER**

S. F. No. 1223: A bill for an act relating to public welfare; authorizing grants for programs of child care services; altering allocations of grants; amending Minnesota Statutes 1974, Sections 245.83, Subdivisions 2 and 5; 245.84; 245.85; 245.86; and 245.87.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 57 and nays 2, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Kirchner	Ogdahl	Solon
Ashbach	Dunn	Kleinbaum	Olhoft	Spear
Bang	Fitzsimons	Knutson	Olson, H. D.	Stassen
Berg	Gearty	Kowalczyk	Olson, J. L.	Stokowski
Bernhagen	Hansen, Mel	Larson	O'Neill	Stumpf
Blatz	Hanson, R.	Laufenburger	Patton	Tennessen
Brataas	Hughes	Lewis	Perpich, A. J.	Ueland
Brown	Humphrey	McCutcheon	Perpich, G.	Wegener
Chenoweth	Jensen	Milton	Pillsbury	Willet
Chmielewski	Josefson	Moe	Renneke	
Conzemius	Keefe, J.	Nelson	Schmitz	
Davies	Keefe, S.	North	Sillers	

Messrs. Hansen, Baldy and Schrom voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2155: A bill for an act relating to United Hospital District, Staples, Minnesota; authorizing the issuance of general obligation bonds of the district without the consent of the governing bodies of the municipalities included in the district; excluding the bonds from the net debt of the district; and excluding taxes levied for the payment of the bonds from certain levy limitations.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 50 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, J.	North	Schmitz
Bang	Dunn	Keefe, S.	Ogdahl	Schrom
Berg	Fitzsimons	Kirchner	Olhoft	Sillers
Bernhagen	Gearty	Kleinbaum	Olson, H. D.	Solon
Blatz	Hansen, Baldy	Kowalczyk	Olson, J. L.	Stassen
Brataas	Hansen, Mel	Larson	O'Neill	Stokowski
Brown	Hanson, R.	Laufenburger	Patton	Stumpf
Chmielewski	Hughes	McCutcheon	Perpich, A. J.	Ueland
Conzemius	Humphrey	Moe	Pillsbury	Wegener
Davies	Josefson	Nelson	Renneke	Willet

Mr. Jensen voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2051: A bill for an act relating to local improvements; council procedure; authorizing percentage payment in advance of completion of improvement on engineer's estimate; amending Minnesota Statutes 1974, Section 429.041, Subdivision 6.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Olhoft	Spear
Ashbach	Dunn	Kirchner	Olson, H. D.	Stassen
Bang	Fitzsimons	Kleinbaum	Olson, J. L.	Stokowski
Berg	Gearty	Knutson	O'Neill	Stumpf
Bernhagen	Hansen, Baldy	Larson	Patton	Tennesen
Blatz	Hansen, Mel	Laufenburger	Perpich, A. J.	Ueland
Borden	Hanson, R.	Lewis	Pillsbury	Wegener
Brataas	Hughes	McCutcheon	Renneke	Willet
Brown	Humphrey	Moe	Schmitz	
Chmielewski	Jensen	Nelson	Schrom	
Conzemius	Josefson	North	Sillers	
Davies	Keefe, J.	Ogdahl	Solon	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H. F. No. 1751: A bill for an act relating to game and fish; firearms permissible for taking wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 9.

Mr. Larson moved to amend H. F. No. 1751 as follows:

Page 2, after line 5, insert the following:

“Sec. 2. Minnesota Statutes 1974, Section 100.29, Subdivision 10, is amended to read:

Subd. 10. It shall be unlawful to throw or cast the rays of a spotlight, headlight, or other artificial light on any highway, or in any field, woodland, or forest, for the purpose of spotting, locating or taking any wild animal, except raccoons when treed with the aid of dogs, while having in possession or under control, either singly or as one of a group of persons, any firearm, bow or other implement whereby big game could be killed, unless the firearm is unloaded in both barrels and magazine and completely contained in a gun case expressly made for that purpose which is fully enclosed by being zipped, snapped, buckled, tied, or otherwise fastened with no portion of the firearm exposed, or contained in the trunk of the car with the trunk door closed and in the case of a bow, unless the same is completely encased or unstrung or contained in the trunk of the car with the trunk door closed. When artificial lights are used to take raccoon when treed with the aid of dogs, the rifles used to take raccoon shall not be of a larger caliber than .22 rim-fire, and shotguns so used shall only contain shells with shot no larger than No. 4. Artificial lights to take raccoon when treed with the aid of dogs shall be legal.”

Amend the title as follows:

Page 1, line 3, after the semicolon insert “regulating the shining of wild animals;”

Page 1, line 4, strike “Subdivision 9” and insert “Subdivisions 9 and 10”

The motion prevailed. So the amendment was adopted.

H. F. No. 1751 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 55 and nays 3, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Jensen	Ogdahl	Schmitz
Ashbach	Davies	Josefson	Olhoft	Schrom
Bang	Doty	Keefe, J.	Olson, H. D.	Sillers
Berg	Dunn	Kirchner	Olson, J. L.	Solon
Bernhagen	Fitzsimons	Kleinbaum	O'Neill	Stassen
Blatz	Gearty	Knutson	Patton	Stokowski
Borden	Hansen, Mel	Larson	Perpich, A. J.	Stumpf
Brataas	Hanson, R.	Laufenburger	Perpich, G.	Tennessen
Brown	Hughes	Moe	Pillsbury	Ueland
Chmielewski	Humphrey	Nelson	Purfeerst	Wegener
Coleman	Hansen, Baldy	North	Renneke	Willet

Messrs. Keefe, S.; Lewis and Spear voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDERS

S. F. No. 1493: A bill for an act relating to natural resources; amending certain laws concerning minnows; amending Minnesota Statutes 1974, Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivision 17; 101.42, Subdivisions 5 and 6; and Minnesota Statutes, 1975 Supplement, Section 98.46, Subdivision 5.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 49 and nays 7, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	Olhoff	Schrom
Ashbach	Fitzsimons	Kleinbaum	Olson, J. L.	Sillers
Bang	Gearty	Knutson	O'Neill	Solon
Bernhagen	Hansen, Baldy	Larson	Patton	Stassen
Blatz	Hansen, Mel	Laufenburger	Perpich, A. J.	Stokowski
Borden	Hughes	Lewis	Perpich, G.	Tennessen
Brataas	Humphrey	Moe	Pillsbury	Ueland
Brown	Jensen	Nelson	Purfeerst	Wegener
Chmielewski	Josefson	North	Renneke	Willet
Conzemius	Keefe, J.	Ogdahl	Schmitz	

Those who voted in the negative were:

Coleman	Doty	Olson, H. D.	Spear	Stumpf
Davies	Keefe, S.			

So the bill passed and its title was agreed to.

### SPECIAL ORDERS

S. F. No. 1924: A bill for an act relating to employment agencies; excluding teacher and nurse placement agencies from the definition of employment agency; amending Minnesota Statutes 1974, Section 184.21, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Brown	Dunn	Jensen	Kowalczyk
Ashbach	Chenoweth	Fitzsimons	Josefson	Larson
Bang	Chmielewski	Gearty	Keefe, J.	Laufenburger
Berg	Coleman	Hansen, Baldy	Keefe, S.	Lewis
Bernhagen	Conzemius	Hansen, Mel	Kirchner	McCutcheon
Blatz	Davies	Hughes	Kleinbaum	Milton
Brataas	Doty	Humphrey	Knutson	Moe

Nelson	Olson, J. L.	Pillsbury	Sillers	Stumpf
North	O'Neill	Purfeerst	Solon	Tennessee
Ogdahl	Patton	Renneke	Spear	Ueland
Olhoff	Perpich, A. J.	Schmitz	Stassen	Willet
Olson, H. D.	Perpich, G.	Schrom	Stokowski	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 1838: A bill for an act relating to crimes; accusation; increasing the limitation on time in which an indictment for offering of bribes to or acceptance of bribes by public officers or employees may be found; amending Minnesota Statutes 1974, Section 628.26.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Ogdahl	Schmitz
Ashbach	Dunn	Kirchner	Olhoff	Schrom
Bang	Fitzsimons	Kleinbaum	Olson, A. G.	Sillers
Berg	Gearty	Knutson	Olson, H. D.	Solon
Bernhagen	Hansen, Baldy	Kowalczyk	Olson, J. L.	Spear
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stassen
Brataas	Hanson, R.	Lewis	Patton	Stokowski
Brown	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Humphrey	Milton	Perpich, G.	Tennessee
Chmielewski	Jensen	Moe	Pillsbury	Ueland
Coleman	Josefson	Nelson	Purfeerst	Wegener
Davies	Keefe, J.	North	Renneke	Willet

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 1862: A bill for an act relating to motor vehicles; registration and taxation; removing certain requirements for notarization; amending Minnesota Statutes, 1975 Supplement, Section 168.10, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Kirchner	Olson, H. D.	Solon
Ashbach	Dunn	Knutson	Olson, J. L.	Spear
Bang	Fitzsimons	Kowalczyk	O'Neill	Stassen
Berg	Gearty	Laufenburger	Patton	Stokowski
Bernhagen	Hansen, Mel	Lewis	Perpich, A. J.	Stumpf
Blatz	Hanson, R.	McCutcheon	Perpich, G.	Tennessee
Brataas	Hughes	Moe	Pillsbury	Ueland
Brown	Humphrey	Nelson	Purfeerst	Wegener
Chenoweth	Jensen	North	Renneke	Willet
Chmielewski	Josefson	Ogdahl	Schmitz	
Conzemius	Keefe, J.	Olhoff	Schrom	
Davies	Keefe, S.	Olson, A. G.	Sillers	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 2124: A bill for an act relating to cities; increasing the amount of obligations that may be issued for television systems; validating prior issuances; amending Minnesota Statutes 1974, Section 465.70.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Keefe, J.	Olhoff	Schrom
Ashbach	Davies	Keefe, S.	Olson, A. G.	Sillers
Bang	Doty	Knutson	Olson, H. D.	Solon
Berg	Dunn	Kowalczyk	Olson, J. L.	Spear
Bernhagen	Fitzsimons	Larson	O'Neill	Stassen
Blatz	Gearty	Laufenburger	Patton	Stokowski
Borden	Hansen, Baldy	Lewis	Perpich, A. J.	Stumpf
Brataas	Hanson, R.	McCutcheon	Perpich, G.	Tennessee
Brown	Hughes	Moe	Pillsbury	Ueland
Chenoweth	Humphrey	Nelson	Purfeerst	Wegener
Chmielewski	Jensen	North	Renneke	Willet
Coleman	Josefson	Ogdahl	Schmitz	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 2223: A bill for an act relating to the city of Albert Lea; authorizing a housing finance program; providing for the issuance of general obligation and revenue bonds to finance the program.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, J.	Ogdahl	Schrom
Arnold	Davies	Keefe, S.	Olhoff	Sillers
Ashbach	Doty	Kirchner	Olson, A. G.	Solon
Bang	Dunn	Kleinbaum	Olson, H. D.	Spear
Berg	Fitzsimons	Knutson	Olson, J. L.	Stassen
Bernhagen	Gearty	Kowalczyk	O'Neill	Stokowski
Blatz	Hansen, Baldy	Larson	Patton	Stumpf
Borden	Hansen, Mel	Laufenburger	Perpich, A. J.	Tennessee
Brataas	Hanson, R.	Lewis	Perpich, G.	Ueland
Brown	Hughes	McCutcheon	Pillsbury	Wegener
Chenoweth	Humphrey	Moe	Purfeerst	Willet
Chmielewski	Jensen	Nelson	Renneke	
Coleman	Josefson	North	Schmitz	

So the bill passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Olson, A. G. moved that S. F. No. 375 be taken from the table. The motion prevailed.

**CONCURRENCE AND REPASSAGE**

Mr. Olson, A. G. moved that the Senate concur in the amendments by the House to S. F. No. 375 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 375: A bill for an act relating to city and town government; excluding statutory cities from the application of certain city laws; modifying the application of other laws to conform to the present classification of cities; amending various statutes to reflect the conversion of villages and boroughs to statutory cities; repealing various obsolete provisions of municipal laws; amending Minnesota Statutes 1974, Sections 144.154; 145.01; 205.07, Subdivision 1; 205.10; 205.11; 205.13; 205.14, Subdivision 3; 205.15; 205.16; 205.17, Subdivisions 1 and 3; 205.20, Subdivisions 1 and 4; 329.09; 340.20; 366.10; 410.05, Subdivision 1; 412.02, Subdivision 5; 412.022, Subdivision 1; 412.023, Subdivision 5; 412.131; 412.171; 412.191, Subdivision 1; 412.311; 412.571, Subdivisions 1, 4 and 5; 413.02, Subdivisions 1 and 2; 414.09, Subdivision 3; 415.11, Subdivision 1; 427.09; 427.10; 427.11; 427.12; 429.111; 437.02; 440.11; 440.135, Subdivision 1; 446.04, Subdivision 1; 447.05; 451.06; 451.09; 452.01, Subdivision 1; 455.01; 455.05; 455.13; 455.23; 455.26; 455.27; 455.28; 455.29; 455.30; 455.32; 456.32; 457.13; 458.09, Subdivision 1; 458.20; 458.25; 458.46; 463.04; 465.26; 465.70; 465.71; 471.38, Subdivision 1; 471.69; Chapters 205, by adding a section; 410, by adding a section; and repealing Minnesota Statutes 1974, Sections 118.05; 129.13; 145.02; 197.64; 205.05; 205.06; 205.07, Subdivision 2; 205.08; 205.09; 205.091; 205.12; 274.013; 275.24; 275.36; 368.12; 368.50 to 368.84; 412.017; 412.022, Subdivisions 2 and 3; 412.191, Subdivision 5; 412.841; 415.031 to 415.07; 416.03; 416.04; 416.08 to 416.15; 418.13 to 418.15; 423.21; 426.09; 426.10; 426.15 to 426.18; 435.05; 435.41; 435.46; 436.02; 436.04; 437.01; 438.03; 438.04; 438.07; 440.12; 440.16 to 440.32; 440.39; 441.10 to 441.20; 441.265 to 441.46; 443.14 to 443.17; 443.20 to 443.25; 444.15; 446.03; 447.08; 447.09; 447.23; 448.04 to 448.16; 448.26 to 448.49; 449.04; 449.05; 449.07; 450.06 to 450.08; 452.01, Subdivision 2; 452.02 to 452.07; 452.18 to 452.20; 453.01 to 453.14; 454.01 to 454.045; 455.02 to 455.04; 455.06 to 455.11; 455.15 to 455.22; 456.01 to 456.15; 456.23; 457.02; 457.12; 458.26 to 458.31; 458.47 to 458.49; 459.08 to 459.13; 461.01; 461.07 to 461.11; 463.05; 465.06 to 465.08; 465.51; 465.52; 465.57; 465.59 to 465.63; 471.01 to 471.04; 471.05 to 471.14; 471.48; 645.44, Subdivision 3a; Chapter 460, as it appears in Minnesota Statutes 1945; Laws 1895, Chapter 239; Laws 1897, Chapter 85; Laws 1901, Chapter 379; Laws 1907, Chapter 22; Laws 1911, Chapter 53; Laws 1913, Chapters 7 and 47; Laws 1915, Chapters 125 and 230, Sections 2 and 3; Laws 1917, Chapter 190; Laws 1919, Chapter 424; Laws 1921, Chapter 30; Extra Session Laws 1935, Chapter 8; Laws 1937, Chapter 198; Laws 1941, Chapter 266, as amended; Laws 1947, Chapter 470 and Laws 1953, Chapter 697.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, J.	Ogdahl	Schrom
Arnold	Davies	Keefe, S.	Olhoff	Sillers
Ashbach	Doty	Kirchner	Olson, A. G.	Solon
Bang	Dunn	Kleinbaum	Olson, H. D.	Spear
Berg	Fitzsimons	Knutson	Olson, J. L.	Staseen
Bernhagen	Gearty	Kowalczyk	O'Neill	Stokowski
Blatz	Hansen, Baldy	Larson	Patton	Stumpf
Borden	Hansen, Mel	Laufenburger	Perpich, A. J.	Tennessee
Brataas	Hanson, R.	Lewis	Perpich, G.	Ueland
Brown	Hughes	McCutcheon	Pillsbury	Willet
Chenoweth	Humphrey	Moe	Purfeerst	
Chmielewski	Jensen	Nelson	Renneke	
Coleman	Josefson	North	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

### THIRD READING OF SENATE BILLS

S. F. No. 550: A bill for an act relating to civil actions; abolishing all civil causes of action for breach of promise to marry, alienation of affections, criminal conversation and seduction; providing penalties.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 25 and nays 34, as follows:

Those who voted in the affirmative were:

Blatz	Davies	Keefe, J.	North	Sillers
Brown	Fitzsimons	Keefe, S.	Olson, A. G.	Spear
Chenoweth	Gearty	Kleinbaum	Perpich, A. J.	Stumpf
Coleman	Humphrey	Lewis	Perpich, G.	Tennessee
Conzemius	Josefson	Moe	Pillsbury	Ueland

Those who voted in the negative were:

Anderson	Brataas	Kirchner	Olhoff	Schmitz
Arnold	Chmielewski	Kowalczyk	Olson, H. D.	Schrom
Ashbach	Doty	Larson	Olson, J. L.	Solon
Bang	Dunn	Laufenburger	O'Neill	Stokowski
Berg	Hansen, Baldy	McCutcheon	Patton	Wegener
Bernhagen	Hansen, Mel	Nelson	Purfeerst	Willet
Borden	Hanson, R.	Ogdahl	Renneke	

So the bill failed to pass.

### THIRD READING OF HOUSE BILLS

H. F. No. 1999: A bill for an act relating to game and fish; providing temporary permits for handicapped hunters; amending Minnesota Statutes, 1975 Supplement, Section 98.48, Subdivision 12.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Keefe, J.	Ogdahl	Schrom
Arnold	Conzemius	Keefe, S.	Olhoft	Sillers
Ashbach	Doty	Kirchner	Olson, A. G.	Solon
Bang	Dunn	Kleinbaum	Olson, H. D.	Spear
Berg	Fitzsimons	Knutson	Olson, J. L.	Stassen
Bernhagen	Gearty	Kowalczyk	O'Neill	Stokowski
Blatz	Hansen, Baldy	Laufenburger	Patton	Stumpf
Borden	Hansen, Mel	Lewis	Perpich, G.	Tennessen
Brataas	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brown	Humphrey	Moe	Purfeerst	Wegener
Chenoweth	Jensen	Nelson	Renneke	Willet
Chmielewski	Josefson	North	Schmitz	

So the bill passed and its title was agreed to.

H. F. No. 523: A bill for an act relating to public lands; authorizing the state and counties to exchange land; amending Minnesota Statutes 1974, Sections 373.01, Subdivision 1; 94.342, Subdivision 3; and 94.343, Subdivisions 1 and 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Kirchner	Olson, A. G.	Solon
Arnold	Davies	Kleinbaum	Olson, H. D.	Spear
Ashbach	Doty	Knutson	Olson, J. L.	Stassen
Bang	Dunn	Kowalczyk	O'Neill	Stokowski
Berg	Fitzsimons	Larson	Patton	Stumpf
Bernhagen	Gearty	Laufenburger	Perpich, A. J.	Tennessen
Blatz	Hansen, Baldy	Lewis	Perpich, G.	Ueland
Borden	Hansen, Mel	McCutcheon	Pillsbury	Wegener
Brataas	Hanson, R.	Moe	Purfeerst	Willet
Brown	Jensen	Nelson	Renneke	
Chenoweth	Josefson	North	Schmitz	
Chmielewski	Keefe, J.	Ogdahl	Schrom	
Coleman	Keefe, S.	Olhoft	Sillers	

So the bill passed and its title was agreed to.

#### CALENDAR OF ORDINARY MATTERS

S. F. No. 2237: A bill for an act directing the sale of a certain parcel of tax forfeited land in St. Louis county.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Kirchner	Olson, A. G.	Solon
Arnold	Davies	Kleinbaum	Olson, H. D.	Spear
Ashbach	Dunn	Knutson	Olson, J. L.	Stasen
Bang	Fitzsimons	Kowalczyk	O'Neill	Stokowski
Berg	Gearty	Larson	Patton	Stumpf
Bernhagen	Hansen, Baldy	Laufenburger	Perpich, A. J.	Tennessen
Blatz	Hansen, Mel	Lewis	Perpich, G.	Ueland
Borden	Hanson, R.	McCutcheon	Pillsbury	Wegener
Brataas	Humphrey	Moe	Purfeerst	Willet
Brown	Jensen	Nelson	Renneke	
Chenoweth	Josefson	North	Schmitz	
Chmielewski	Keefe, J.	Ogdahl	Schrom	
Coleman	Keefe, S.	Olhoff	Sillers	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Doty in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Doty reported that the committee had considered the following:

S. F. Nos. 1880, 1997, 1996, 2077, 1262 and 1976, which the committee recommends to pass.

S. F. No. 2219, which the committee recommends be returned to the author.

S. F. No. 2161, which the committee recommends to pass with the following amendment offered by Mr. Ashbach:

Page 1, after line 20, insert:

“Sec. 2. Notwithstanding the provisions of Minnesota Statutes, Chapter 340 or Section 624.701 or any other law or ordinance to the contrary, the governing body of the city of Roseville may issue one temporary on-sale intoxicating liquor license in each year for not to exceed one 24 consecutive hour period to a holder of a valid on-sale liquor license, which will permit the licensee to sell intoxicating liquor or food or both off the licensed premises in connection with the Central Park Foundation Ball, and in the year 1976, only, the governing body of the city of Roseville may issue an additional temporary on-sale intoxicating liquor license for not to exceed one 24 consecutive hour period to a holder of a valid on-sale liquor license, which will permit the licensee to sell intoxicating liquor or food or both off the licensed premises in connection with the Roseville Bicentennial Town Gathering. The temporary licenses shall be subject to local ordinances and to such terms, including a license fee, as the issuing authority shall prescribe.”

Renumber the remaining section

Further amend the title as follows:

Page 1, line 3, strike “a”

Page 1, line 4, strike "festival" and insert "festivals"

S. F. No. 1876, which the committee recommends to pass with the following amendment offered by Mr. North:

Page 5, line 20, after the period insert "*A state employee who serves on an advisory council or committee as a representative of a specific state department or agency shall not receive the \$35 per day.*"

S. F. No. 1388, which the committee recommends to pass with the following amendment offered by Mr. Kowalczyk:

Page 1, line 10, after "nurse" insert "*,on the days when she is on regular duty at a school,*"

Page 1, line 13, before "shall" insert a comma

H. F. No. 109 which the committee reports progress, subject to the following motion:

Mr. North moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate on February 9, 1976, as follows:

After Section 1, insert:

"Sec. 2. [4.035] [EXECUTIVE ORDERS.] *Subdivision 1. [APPLICABILITY.] A written statement or order executed by the governor pursuant to his constitutional or statutory authority and denominated by him as an executive order, or a statement or order of the governor required by law to be in the form of an executive order, shall be uniform in format, shall be numbered consecutively, and shall be effective and expire as provided in this section. Executive orders creating agencies shall be consistent with the provisions of this section and section 5.*

*Subd. 2. [EFFECTIVE DATE.] An executive order issued pursuant to sections 12.31 to 12.32 or any other emergency executive order issued to protect a person from an imminent threat to his health and safety shall be effective immediately and shall be filed with the secretary of state and published in the state register as soon as possible after its issuance. Emergency executive orders shall be identified as such in the order. Any other executive order shall be effective, and shall be filed with the secretary of state, 15 days after its publication in the state register. The governor shall submit a copy of the executive order to the commissioner to facilitate publication in the state register.*

*Subd. 3. [EXPIRATION DATE.] Unless an earlier date is specified by statute or by executive order, an executive order shall expire 30 days after the date that the governor who issued the order vacates his office.*

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 15.051, Subdivision 1, is amended to read:

15.051 [STATE REGISTER.] Subdivision 1. [PURPOSE.] The commissioner of administration shall publish a state register containing all notices for hearings concerning rules, giving time,

place and purpose of the hearing and the full text of the action being proposed. Further, the register shall contain all rules, amendments, suspensions, or repeals thereof, pursuant to the provisions of this chapter. The commissioner shall further publish any executive order issued by the governor which shall become effective ~~upon such~~ *15 days after publication except as provided in section 2, subdivision 2*. The commissioner shall further publish any official notices in the register which a state agency requests him to publish. Such notices shall include, but shall not be limited to, the date on which a new agency becomes operational, the assumption of a new function by an existing state agency, or the appointment of commissioners. The commissioner may prescribe the form and manner in which agencies submit any material for publication in the state register, and he may withhold publication of any material not submitted according to the form or procedures he has prescribed.

The commissioner of administration may organize and distribute the contents of the register according to such categories as will provide economic publication and distribution and will offer easy access to information by any interested party.

Sec. 4. Minnesota Statutes 1974, Section 15.051, Subdivision 3, is amended to read:

Subd. 3. [SUBMISSION OF ITEMS FOR PUBLICATION.] Any state agency which desires to publish a notice of hearing, rule or regulation or change thereof, ~~or an executive order~~, shall submit a copy of the entire document, including dates when adopted, and filed with the secretary of state, to the commissioner of administration in addition to any other copies which may be required to be filed with the commissioner by other law.

Sec. 5. [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. A task force, council or committee shall expire two years after the date of the order unless otherwise specified consistent with section 2, 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."*

After the last line of Sec. 4, insert:

"Sec. 8. Minnesota Statutes 1974, Section 16.125, is amended to read:

16.125 [TRANSFER OF POWERS OR DUTIES.] *Subdivision 1. The authority of the commissioner of administration under sections 16.13 and 16.135, includes the authority to transfer functions, in order to improve efficiency or avoid duplication, may transfer powers or duties, and personnel necessary to perform the powers or duties, of a department to another or agency with the approval of the governor to another department or agency that has been in existence for at least one year prior to the date of transfer. A transfer must have received the prior approval of the governor.*

*Subd. 2. [FORM OF TRANSFER; EFFECTIVE DATE.] A transfer made pursuant to subdivision 1 shall be in the form of a reorganization order. A reorganization order shall be filed with the secretary of state, shall be uniform in format and shall be numbered consecutively. An order shall be effective upon filing with the secretary of state and shall remain in effect until amended or superseded. Copies of the filed order shall be delivered promptly by the commissioner to the secretary of the senate and the chief clerk of the house.*

*Subd. 3. [CERTAIN REORGANIZATION ORDERS.] A reorganization order which transfers all or substantially all of the powers or duties of a department, the energy agency, the housing finance agency or the pollution control agency shall be submitted to the chief clerk of the house and the secretary of the senate, and the order shall not become effective if the legislature by concurrent resolution disapproves the order before the 20th legislative day after its submission to the chief clerk of the house and the secretary of the senate.*

*Subd. 4. In case of transfer of function The commissioner of finance shall determine the fractional part of the appropriation to the department or agency from which the function power or duty is transferred for the function represented by that transferred power or duty, and that part of the appropriation is hereby reappropriated to the transferee department or agency assigned the function. The commissioner shall forthwith report the transfers to the committee on finance in the senate and the committee on appropriations in the house of representatives."*

Renumber the sections in sequence

Section 39, line 1, after "Sections" insert "16.13,"

Amend the title amendment as follows:

Line 6 of the title amendment, after "heads;" insert "standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders;"

Line 7 of the title amendment, after "Sections" insert "15.051, Subdivision 3;"

Line 7 of the title amendment, after "16.01;" insert "16.125;"

Line 17 of the title amendment, strike "Section" and insert "Sections 15.051, Subdivision 1; and"

Line 17 of the title amendment, after "Sections" insert "16.13;"

The motion prevailed. So the amendment was adopted.

H. F. No. 59, which the committee recommends to pass with the following amendment offered by Mr. Olhoft:

Page 1, line 14, strike "*such*" and insert "*the*"

Page 1, line 15, strike "*such*" and insert "*a*"

Page 1, line 16, strike "*or her*"

Page 1, line 16, strike "*such*"

Page 1, line 17, strike "*he or she*" and insert "*the secretary of state*"

Page 1, line 21, strike "*said*" and insert "*the*"

Page 1, line 22, strike "*such*" and insert "*the*"

And then, on motion of Mr. Doty, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 12:30 o'clock p.m., Friday, March 5, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**EIGHTY-THIRD DAY**

St. Paul, Minnesota, Friday, March 5, 1976

The Senate met at 12:30 o'clock p.m. and was called to order by the President.

**CALL OF THE SENATE**

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Bang	Gearty	Kowalczyk	Olson, J. L.	Schrom
Bernhagen	Hansen, Baldy	Laufenburger	Patton	Sillers
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Solon
Brown	Hanson, R.	Merriam	Pillsbury	Spear
Chmielewski	Hughes	Moe	Purfeerst	Stumpf
Coleman	Humphrey	Nelson	Renneke	Ueland
Doty	Keefe, S.	Olson, A. G.	Schaaf	Wegener
Dunn	Kirchner	Olson, H. D.	Schmitz	Willet

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Alden Lynch.

The roll being called, the following Senators answered to their names:

Anderson	Dunn	Kirchner	Olson, H. D.	Solon
Bang	Frederick	Kleinbaum	Olson, J. L.	Spear
Bernhagen	Gearty	Knutson	O'Neill	Stassen
Blatz	Hansen, Baldy	Kowalczyk	Patton	Stokowski
Borden	Hansen, Mel	Larson	Perpich, A. J.	Stumpf
Brataas	Hanson, R.	Laufenburger	Pillsbury	Tennesen
Brown	Hughes	Lewis	Purfeerst	Ueland
Chmielewski	Humphrey	Merriam	Renneke	Wegener
Coleman	Jensen	Milton	Schaaf	Willet
Conzemius	Josefson	Moe	Schmitz	
Davies	Keefe, J.	Nelson	Schrom	
Doty	Keefe, S.	Olson, A. G.	Sillers	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**MEMBERS EXCUSED**

Messrs. Arnold, Ashbach, Berg, Fitzsimons, McCutcheon, North and Ogdahl were excused from the Session of today.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

March 4, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
806		21	March 2	March 2
1439		22	March 2	March 2
1501		23	March 2	March 2
2034		24	March 2	March 2
	1721	25	March 2	March 2
	1829	26	March 2	March 2
	1880	27	March 2	March 2

Sincerely,  
Joan Anderson Growe, Secretary of State

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Messrs. Lewis, Doty and Hughes introduced—

S. F. No. 2455: A bill for an act relating to taxation; providing for a refund of certain amounts of taxes paid for the 1975 taxable year; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Mr. Jensen introduced—

S. F. No. 2456: A bill for an act relating to tax-forfeited land; providing time limitations for bringing actions; providing procedures for settling tax titles; amending Minnesota Statutes 1974, Section 284.28; repealing Minnesota Statutes 1974, Sections 284.09 and 284.22.

Referred to the Committee on Judiciary.

Messrs. Jensen, Patton and Josefson introduced—

S. F. No. 2457: A bill for an act relating to labor; public employees; negotiation and arbitration procedures; amending Minne-

sota Statutes 1974, Sections 179.69, Subdivision 5; and 179.72, Subdivision 7, and by adding a subdivision.

Referred to the Committee on Labor and Commerce.

Messrs. Jensen ; Hanson, R. and Ueland introduced—

S. F. No. 2458: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; chemical tests for intoxication under the implied consent law; defining the term peace officer in relation thereto; amending Minnesota Statutes 1974, Section 169.123, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Olhoft introduced—

S. F. No. 2459: A bill for an act relating to highway traffic regulations; prescribing the width of vehicles; amending Minnesota Statutes 1974, Section 169.80, Subdivision 2.

Referred to the Committee on Transportation and General Legislation.

Messrs. Coleman, Ashbach and Moe introduced—

S. F. No. 2460: A bill for an act relating to the bicentennial; appropriating money to the Minnesota American Revolution Bicentennial Commission.

Referred to the Committee on Governmental Operations.

Messrs. Doty and Solon introduced—

S. F. No. 2461: A bill for an act relating to the city of Duluth and the town of Herman; providing for the duties of paramedics; amending Laws 1975, Chapter 209, Section 3, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Arnold introduced—

S. F. No. 2462: A bill for an act relating to crimes; unjustifiably entering a building owned by another; prescribing penalties therefor; amending Minnesota Statutes 1974, Section 609.60.

Referred to the Committee on Judiciary

Mr. Anderson introduced—

S. F. No. 2463: A bill for an act relating to Chisago, Isanti, and Pine counties; providing retirement benefits for certain judges.

Referred to the Committee on Governmental Operations.

Mr. Schaaf introduced—

S. F. No. 2464: A bill for an act relating to health; amending Minnesota Statutes 1974, Section 617.251.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Willet introduced—

S. F. No. 2465: A bill for an act relating to natural resources; appropriating money for overtime compensation to conservation officers pursuant to contract; describing the contract provisions.

Referred to the Committee on Finance.

Messrs. Keefe, S. and Humphrey introduced—

S. F. No. 2466: A bill for an act relating to labor; migrant labor; contract requirements; rights of migrant workers; prescribing penalties.

Referred to the Committee on Labor and Commerce.

Mr. Spear introduced—

S. F. No. 2467: A bill for an act relating to Hennepin county; providing for sheriffs' fees; amending Laws 1969, Chapter 1063, Section 1; repealing Laws 1969, Chapter 1063, Section 2.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Hansen, Baldy; Solon and Laufenburger introduced—

S. F. No. 2468: A bill for an act relating to civil service; providing for payment of a portion of unused sick leave time to a state employee upon separation; amending Minnesota Statutes, 1975 Supplement, Section 43.12, Subdivision 17.

Referred to the Committee on Governmental Operations.

Mrs. Brataas introduced—

S. F. No. 2469: A bill for an act relating to the city of Rochester; increasing the membership of the housing and redevelopment authority; providing terms.

Referred to the Committee on Local Government.

Messrs. Perpich, A. J.; Blatz and Conzemius introduced—

S. F. No. 2470: A bill for an act relating to taxation; permitting a deduction from the sales tax by certain sales tax permit holders to defray the costs of collecting and remitting the tax; amending Minnesota Statutes 1974, Section 297A.26 by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Perpich, A. J. introduced—

S. F. No. 2471: A bill for an act providing expenses and payments for county commissioners in St. Louis county; amending Minnesota Statutes, 1975 Supplement, Section 375.055, Subdivision 1; repealing Laws 1951, Chapter 391, Section 2; Laws 1959, Chapter 301; and Laws 1969, Chapter 166.

Referred to the Committee on Local Government.

Mr. Keefe, S. introduced—

S. F. No. 2472: A bill for an act relating to elections; providing for filing affidavits of candidacy in 1976; amending Minnesota Statutes, 1975 Supplement, Section 202A.22, by adding a subdivision.

Referred to the Committee on Transportation and General Legislation.

Mr. Schaaf introduced—

S. F. No. 2473: A bill for an act relating to highways; removing prohibition of right of way acquisition for a proposed interstate route; authorizing preparation of certain environmental impact statements; prescribing duties of commissioner of highways; amending Minnesota Statutes, 1975 Supplement, Sections 161.12; and 161.123.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Schaaf introduced—

S. F. No. 2474: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; amending Minnesota Statutes 1974, Section 169.121, Subdivisions 1 and 2.

Referred to the Committee on Judiciary.

Messrs. Schaaf and Borden introduced—

S. F. No. 2475: A bill for an act relating to regulated industries; changing manner of determining valuation of telephone property for the purpose of prescribing telephone rates; amending Minnesota Statutes 1974, Section 237.08.

Referred to the Committee on Labor and Commerce.

Mr. Schaaf introduced—

S. F. No. 2476: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverage; amending Minnesota Statutes 1974, Section 169.121, Sub-

division 2; and Minnesota Statutes, 1975 Supplement, Section 169.121, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Schaaf introduced—

S. F. No. 2477: A bill for an act relating to highway traffic regulations; providing authority for peace officers to conduct periodic inspections to determine the validity of drivers licenses and physical condition of drivers; amending Minnesota Statutes 1974, Chapter 169, by adding a section.

Referred to the Committee on Judiciary.

Mr. Schaaf introduced—

S. F. No. 2478: A bill for an act relating to highway traffic regulations; driving under the influence of alcoholic beverages; providing for the reporting of all convictions involving stays of imposition or execution of sentence; amending Minnesota Statutes 1974, Sections 169.121, Subdivision 6; and 609.135, Subdivision 3.

Referred to the Committee on Judiciary.

Mr. Schaaf introduced—

S. F. No. 2479: A bill for an act relating to metropolitan government; an increase in the maximum amount of bonds for regional recreation and open space acquisition development grants; amending Minnesota Statutes, 1975 Supplement, Section 473.325, Subdivisions 1 and 2.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Schaaf introduced—

S. F. No. 2480: A bill for an act relating to insurance; extending eligibility for continuation of group coverage for certain terminated employees; amending Minnesota Statutes 1974, Section 62A.17, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Mr. Chenoweth introduced—

S. F. No. 2481: A bill for an act relating to retirement; amendments to bylaws and articles of incorporation of the St. Paul Teachers' Retirement Fund Association.

Referred to the Committee on Governmental Operations.

Messrs. Stumpf, Gearty and Chenoweth introduced—

S. F. No. 2482: A bill for an act relating to cities; requiring cities of the first class to establish special entertainment districts.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Borden; Olson, J. L. and Wegener introduced—

S. F. No. 2483: A bill for an act relating to environment; revising the environmental policy act; amending Minnesota Statutes 1974, Sections 116D.04, Subdivisions 3 and 8, and by adding subdivisions; and 116D.07.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Moe and Willet introduced—

S. F. No. 2484: A bill for an act relating to outdoor recreation; creating the citizen's advisory sportsmen's council on Minnesota's outdoor recreational resources; prescribing its powers and duties; providing for a surcharge on fish and game licenses to fund the council.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Moe introduced—

S. F. No. 2485: A bill for an act relating to natural resources; authorizing the inclusion of additional lands within the boundaries of Itasca State Park.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Coleman introduced—

S. F. No. 2486: A bill for an act relating to highways; construction limitations on certain trunk highways; authorizing the preparation of environmental impact statements for such highways; amending Minnesota Statutes, 1975 Supplement, Section 161.123.

Referred to the Committee on Transportation and General Legislation.

Mr. Conzemius introduced—

S. F. No. 2487: A bill for an act relating to corrections; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 43.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 4, 1976

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 733, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 733: A bill for an act relating to rates of interest; permitting lending institutions to charge interest rates on business and agricultural loans of up to five percent more than the federal discount rate at the time the loan was made.

S. F. No. 733 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 4, 1976

### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S. F. No. 1784. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 814: A bill for an act relating to the organization and operation of state government; education; changing the membership of the higher education coordinating board; establishing new duties for the board; providing per diem, appropriating money; amending Minnesota Statutes 1974, Sections 136A.02, Subdivisions 1, 2, and 4; 136A.07; and Minnesota Statutes, 1975 Supplement, Sections 136A.04 and 136A.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, strike "public"

Page 1, line 25, strike "The executive director of"

Page 2, line 1, strike "also" and insert "appoint a person to"

Page 2, lines 3 and 5, strike "public"

Page 2, line 3, strike "on the board" and insert "appointed by the governor"

Page 2, line 6, after "member" insert "appointed by the governor"

Page 2, strike lines 16 to 25

Page 2, line 26, strike everything before "Vacancies" and insert:

*"(a) the first Monday in January, 1978: three members appointed by the governor;*

*(b) the first Monday in January, 1979: three members appointed by the governor and the member appointed by the board of regents;*

*(c) the first Monday in January, 1980: three members appointed by the governor and the member appointed by the state university board; and*

*(d) the first Monday in January, 1981: three members appointed by the governor and the member appointed by the board for community colleges."*

Page 3, lines 22 and 30, strike "\$50" and insert "\$35"

Page 3, lines 24 to 25, strike "travel, subsistence, and other reasonable"

Page 3, line 27, strike "other"

Page 3, line 27, strike "officers and"

Page 3, line 30, strike ", but they" and insert "*if the activities occur during normal working hours for which they are also compensated by the state or political subdivision. Board members who are employees of the state or a political subdivision*"

Page 4, line 26, strike everything after the comma

Page 4, line 27, strike everything before "and"

Page 4, after line 32, insert

*"(e) Review all plans and proposals for new or additional programs of instruction, periodically review existing programs of private institutions, offering post-secondary education, and inform an institution if the board determines a program to be unnecessary or a needless duplication of existing programs;"*

Reletter the remaining clauses

Page 6, line 5, after "All" insert "*public*"

Page 6, lines 5 to 6, strike "*public and private,*"

Page 6, line 7, after "*shall*" insert "*, and all private institutions of higher education are requested to,*"

Page 7, after line 21, insert:

*"Sec. 8. [REPEALER.] Minnesota Statutes 1974, Section 136A.02, Subdivision 6, is repealed."*

Page 7, line 23, strike "*and 9*" and insert "*9 and 10*"

Renumber the sections in sequence.

Amend the title as follows:

Line 6, after "diem," insert "removing an advisory agency from statute;"

Line 10, after "136A.05" insert "; repealing Minnesota Statutes 1974, Section 136A.02, Subdivision 6"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 1313: A bill for an act relating to family planning services; providing for the establishment of a comprehensive state family planning services plan; appropriating funds.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2262: A bill for an act relating to taxation; providing for a credit against income tax for the cost of care for certain dependents; appropriating money; amending Minnesota Statutes 1974, Chapter 290, by adding a section; repealing Minnesota Statutes 1974, Section 290.09, Subdivision 26.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2078: A bill for an act relating to metropolitan revenue distribution; changing the method of computing the taxable valuation of certain governmental units; amending Minnesota Statutes 1974, Section 473F.08, Subdivision 2.

Reports back the same with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 556: A bill for an act relating to financial institutions and mortgagees; amending Minnesota Statutes 1974, Sections 47.20; and 47.21.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

**"Section 1. [CONVENTIONAL HOME LOAN ASSISTANCE AND PROTECTION ACT: CITATION.] Sections 1 to 4 may be cited as the Conventional Home Loan Assistance and Protection Act.**

Sec. 2. Minnesota Statutes 1974, Section 47.20, is amended to read:

**47.20 [USE OF FEDERAL ACTS; DEFINITIONS; INTEREST RATES; REQUIRED PROVISIONS; INTEREST ON ESCROW ACCOUNTS.]** *Subdivision 1.* Pursuant to such regulations as the commissioner of banks finds to be necessary and proper, if any, banks, savings banks, mutual savings banks, building and loan associations, and savings and loan associations organized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other banking institutions subject to the supervision of the commissioner of banks, and mortgagees or lenders approved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs, are authorized:

(1) To make such loans and advances of credit and purchases of obligations representing loans and advances of credit as are insured by the secretary of housing and urban development pursuant to the national housing act, as amended, or the administrator of veterans affairs pursuant to the servicemen's readjustment act of 1944, as amended, and to obtain such insurance;

(2) To make such loans secured by mortgages on real property which the secretary of housing and urban development or the administrator of veterans affairs has insured or made a commitment to insure, and to obtain such insurance.

*Subd. 2. For the purposes of section 47.20 the terms defined in this subdivision have the meanings given them:*

(1) "Actual Closing Costs" mean reasonable charges for or sums paid for the following, whether or not retained by the mortgagee or lender:

- (a) Any insurance premiums including but not limited to premiums for title insurance, fire and extended coverage insurance, flood insurance, and private mortgage insurance.
- (b) Abstracting, title examination and search, and examination of public records.
- (c) The preparation and recording of any or all documents required by law or custom for closing a conventional loan.
- (d) Appraisal and survey of real property securing a conventional loan.
- (e) A single service charge, which shall include any consideration, not otherwise specified herein as an "actual closing cost" paid by the borrower and received and retained by the lender for or related to the acquisition, making, refinancing or modification of a conventional loan, and shall also include any consideration received by the lender for making a commitment for a conventional loan, whether or not an actual loan follows such commitment.

*The service charge shall not exceed one percent of the original bona fide principal amount of the conventional loan, except that in the case of a construction loan, the service charge shall not exceed two percent of the original bona fide principal amount of the loan.*

- (f) *Charges and fees necessary for or related to the transfer of real property securing a conventional loan or the closing of a conventional loan paid by the borrower and received by any party other than the lender.*

(2) *"Conventional Loan" means a loan or advance of credit to a non-corporate borrower in an original principal amount of less than \$100,000 which is not insured by the secretary of housing and urban development or guaranteed by the administrator of veterans affairs.*

(3) *"Finance Charge" means the total cost of a conventional loan including extensions or grant of credit regardless of the characterization of the same and includes interest, finders fees, and other charges levied by a lender directly or indirectly against the person obtaining the conventional loan or against a seller of real property securing a conventional loan, or any other party to the transaction except any actual closing costs. The finance charges plus the actual closing costs charged by a lender shall include all charges made by a lender to the person obtaining the conventional loan other than the principal of the conventional loan.*

(4) *"Loan Yield" means the annual rate of return obtained by a lender over the term of a conventional loan and shall be computed as the annual percentage rate as computed in accordance with sections 226.5(b), (c) and (d) of Regulation Z, 12 C.F.R. section 226, but using the definition of finance charge provided for in this subdivision. The finance charge shall be amortized over the contract term of the conventional loan.*

(5) *"Monthly Index of Long Term United States Government Bond Yields" means the monthly unweighted average of the daily unweighted average of the closing bid yield quotations in the over the counter market for all outstanding United States Treasury Bond issues, based on available statistics, which are either maturing or callable in ten years or more. This index is expressed in terms of percentages interest per annum.*

*Subd. 3. Pursuant to such regulations as the commissioner of banks finds to be necessary and proper, if any, banks, savings banks, mutual savings banks, building and loan associations, and savings and loan associations organized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other banking institutions subject to the supervision of the commissioner of banks, and mortgagees or lenders approved or certified by the federal national mortgage association or the federal home loan mortgage corporation are authorized to make such conventional loans and purchases of obligations representing conventional loans as would be eligible for purchase by the federal national mortgage association or the federal home loan mortgage corporation as authorized by and defined by the Emergency Home Finance Act of 1970, as amended, but*

*without regard to any limitations placed upon the maximum principal amount of an eligible conventional loan by said act.*

*Subd. 4. No conventional loan authorized in subdivision 3 of this section shall be at a rate of interest in excess of a maximum lawful interest rate which shall be based upon the Monthly Index of Long Term United States Government Bond Yields as compiled by the board of governors of the Federal Reserve System and as published by said board of governors in the monthly Federal Reserve Bulletin. The maximum lawful interest rate shall be computed as follows:*

*(1) The maximum lawful rate of interest for a conventional loan authorized in subdivision 3 of this section entered into or contracted for during any calendar month shall be equal to the Monthly Index of Long Term United States Government Bond Yields for the second preceding calendar month plus an additional two percent per annum rounded off to the nearest quarter of one percent per annum or rounded off to the highest quarter of one percent per annum if equidistant.*

*(2) On or before the 20th day of each month the commissioner of banking shall determine, based on available statistics, the monthly index of long term United States government bond yields for the preceding calendar month and shall determine the maximum lawful rate of interest for conventional loans for the next succeeding month, as defined in clause (1) of this subdivision and shall cause such maximum lawful rate of interest to be published in The Bulletin of the Banking Division; such maximum lawful rate of interest to be effective on the first day of the next succeeding month.*

*(3) The loan yield obtained from a conventional loan authorized in subdivision 3 of this section shall not exceed the maximum lawful rate of interest established in clause (1) of this subdivision.*

*(4) A contract rate within the maximum lawful interest rate applicable to a conventional loan authorized in subdivision 3 of this section at the time of the loan closing shall be the maximum lawful interest rate for the term of the conventional loan; except that a commitment for a conventional loan authorized in subdivision 3 of this section which provides for consummation within some future time following the issuance of such commitment may be consummated pursuant to the provisions, including the interest rate, of such commitment notwithstanding the fact that the maximum lawful rate of interest at the time such conventional loan is actually entered into is less than the commitment rate of interest provided the commitment rate of interest does not exceed the maximum lawful interest rate in effect on the date such commitment was issued and provided that such commitment when issued and agreed to by the borrower shall constitute a legally binding obligation on the part of the mortgagee or lender to make a conventional loan authorized in subdivision 3 of this section within a specified time period in the future at a rate of interest not exceeding the maximum lawful rate of interest effective as of the date of commitment offer. The refinancing of an existing conventional loan authorized in subdivision 3 of this section shall be*

deemed to be a new conventional loan for purposes of determining the maximum lawful rate of interest under this subdivision.

(5) This subdivision expires July 31, 1977. A contract or commitment for a conventional loan made pursuant to this subdivision made on or before July 31, 1977 at a rate of interest not in excess of the rate of interest authorized by this subdivision at the time the contract or commitment for such loan was made shall continue to be enforceable in accordance with its terms until the indebtedness is fully satisfied.

Subd. 5. No loan or advance of credit authorized in subdivisions 1 or 3 of this section and contracted for on or after the effective date of this subdivision, shall contain a provision requiring or permitting the imposition of a penalty in the event the loan or advance of credit is prepaid.

Subd. 6. No loan or advance of credit authorized in subdivisions 1 or 3 of this section and contracted for on or after the effective date of this subdivision, shall contain a provision requiring or permitting the imposition of a fee or penalty in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan or advance of credit and the obligation incurred thereby is assumed by another person.

Subd. 7. (1) No conventional loan authorized in subdivision 3 of this section and contracted for on or after the effective date of this subdivision shall contain a provision requiring or permitting the imposition, directly or indirectly, of any discount points, whether or not actually denominated as discount points, on any person.

(2) Discount points shall be deemed not to include a fee paid to a lender by a person in the business of residential building or development in connection with a commitment by such lender to make conventional loans to credit worthy purchasers of real property which has not previously been occupied as a residence.

(3) No charges, fees, or sums permitted by this act which are paid to and received by a lender may be increased for purposes of evading compliance with this subdivision.

Subd. 8. (1) For purposes of this subdivision the term "mortgagee" shall mean all state banks and trust companies, national banking associations, state and federally chartered savings and loan associations, mortgage banks, mutual savings banks, insurance companies, credit unions or assignees of the above. Each mortgagee requiring funds of a mortgagor to be paid into an escrow, agency or similar account for the payment of taxes or insurance premiums with respect to a mortgaged one to four family, owner occupied residence located in this state, unless such account is required by federal law or regulation or maintained in connection with loans insured by the secretary of housing and urban development or guaranteed by the administrator of veterans affairs, shall calculate interest on such funds at a rate of not less than three percent per annum. Such interest shall be computed on the average monthly balance in such account on the first of each month for the immediately preceding 12 months of the calendar year

or such other fiscal year as may be uniformly adopted by the mortgagee for such purposes and shall be annually credited to the remaining principal balance on the mortgage, or at the election of the mortgagee, paid to the mortgagor or credited to his account. If the interest exceeds the remaining balance, the excess shall be paid to the mortgagor or vendee. The requirement to pay interest shall apply to such accounts created prior to the effective date of this subdivision as well as to accounts created after this subdivision is effective.

(2) The commerce commission shall have the power to prescribe, at the end of each calendar year, a rate of interest higher than that set by this subdivision. The rate so prescribed shall apply to the calendar year during which such rate is prescribed or to such other fiscal year beginning within such calendar year uniformly adopted by the mortgagee for such purposes. In prescribing any rate the commission shall consider pertinent economic and cost factors including, but not limited to: (1) current yields on short term investments, (2) current dividend rates paid on regular savings accounts throughout this state, (3) currently prevailing interest rates on conventional and insured or guaranteed mortgage loans in this state, (4) cost factors in maintaining accounts described in clause (1) of this subdivision and (5) such other pertinent economic or cost factors that the commerce commission shall deem to be appropriate.

(3) If at any time the use of such account is offered as an option to the mortgagor and the mortgagor continues or elects to use such account, interest need not be credited or paid.

(4) A mortgagee shall be prohibited from charging a direct fee for the administration of the escrow account.

(5) A mortgagee shall make timely payments of tax and insurance bills provided that funds paid into such account by the mortgagor are sufficient for such payment. If there is a shortage of funds the mortgagee shall promptly notify the mortgagor of such shortage. Failure to make the payment required by this clause shall subject the mortgagee to liability for all damages caused by such failure except that this sentence shall not deprive the mortgagee of the right to present any legal defenses in any subsequent proceeding. The mortgagee is permitted to make any payment on behalf of the mortgagor even though there are not sufficient funds in a particular account to cover the payment.

(6) Any mortgagee intentionally violating the provisions of this subdivision shall be fined not more than \$100 for each offense.

*Subd. 9. Notwithstanding any other law, the provisions of this act may not be waived by any oral or written agreement executed by any person.*

Sec. 3. Minnesota Statutes 1974, Section 47.21, is amended to read:

**47.21 [LAWS PRESCRIBING TYPE OF SECURITY NOT TO APPLY.]** No other law in this state prescribing the nature, amount or form of security or requiring security upon which loans or advances of credit may be made, or prescribing or limiting interest

rates upon loans or advances of credit, or prescribing or limiting the period for which loans or advances of credit may be made, shall be deemed to apply to loans, advances of credit or purchases made pursuant to section 47.20, paragraphs ~~(1)~~ and ~~(2)~~ subdivisions 1, 3 and 4.

(1) Such institutions may invest in notes or bonds secured by mortgage or trust deed insured pursuant to section 47.20, subdivision 1, paragraph clause (2), and in securities issued by national mortgage associations;

(2) The notes, bonds and other securities herein made eligible for investment may be used wherever, by statute, collateral is required as security for the deposit of public or other funds; or deposits are required to be made with any public official or department; or an investment of capital or surplus, or a reserve or other fund, is required to be maintained consisting of designated securities.

*Sec. 4. Section 2, subdivision 8, is effective on June 1, 1976. The remainder of sections 1 to 3 is effective on April 1, 1976.*"

Further amend the title as follows:

Page 1, line 2, after the semicolon insert "modifying the maximum interest rate that may be charged on certain loans; requiring interest to be paid on certain escrow accounts; providing penalties;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1932: A bill for an act relating to banking; providing for mailed notice of automatic renewal of time deposits and possible penalties or loss of interest or reduction of interest; amending Minnesota Statutes 1974, Chapter 47, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "deposit" insert "for a term of one year or more,"

Page 1, lines 11 and 12, strike "other than a demand deposit, as defined in section 48.51"

Page 1, line 22, strike "Failure to"

Page 1, strike line 23

Page 2, strike lines 1 and 2

Page 2, line 3, strike "1975" and insert "1976"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2195: A bill for an act relating to cities; authorizing cities engaged in electric power distribution to secure electric power by individual or joint action; authorizing the creation of municipal power agencies; defining their powers and responsibilities; authorizing the issuance of bonds.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 4, strike all of Sections 1 to 3 and insert:

“Section 1. [453.51] [FINDINGS AND PURPOSE.] Sections 1 to 12 are intended to provide a means for those Minnesota cities which now or hereafter own and operate a utility pursuant to law for the local distribution of electric energy to secure, by individual or joint action among themselves or by contract with other public or private entities within or outside the state, an adequate, economical, and reliable supply of energy. To accomplish this purpose it is necessary for such cities to have power, by agreement between or among two or more of their number, to create a separate municipal corporation with the power and authority to finance and acquire facilities for the generation or transmission of electric energy, or interests in such facilities or rights to part of all of the capacity thereof. It is determined that an adequate, economical, and reliable supply of electric energy is essential to the orderly growth and prosperity of these communities, and a shortage of such energy is inimical to the safety, health, morale, and welfare of residents of the state and the sound growth and developments of its communities. Such a shortage exists and is expected to continue or increase because of the difficulty, among others, in the operation of municipal generating plants, of achieving economies of size, limiting environmental impacts, and providing for peak loads. Accordingly it is determined that the exercise of the powers granted herein will benefit the people of the state and serve a valid public purpose in improving and otherwise promoting their health, welfare, and prosperity.

Sec. 2. [453.52] [DEFINITIONS.] Subdivision 1. The terms defined in this section have the following meanings whenever used in sections 1 to 12 unless the context requires otherwise.

Subd. 2. “Agency agreement” means the written agreement between or among two or more cities establishing a municipal power agency.

Subd. 3. “City” means a city organized and existing under the laws of Minnesota or a city charter adopted pursuant thereto, and authorized by such laws or charter to engage in the local distribution and sale of electric energy; provided that any city so engaged on January 1, 1976, is authorized to continue such distribution and sale, and every city now or hereafter so authorized may exercise, either individually or as a member of a municipal power agency, all of the powers granted in sections 1 to 12.

Subd. 4. “City council” means the city council or other similar board, commission, or body within a city which is charged by

law or its charter with the general control of the city's governmental affairs.

Subd. 5. "Distribution" means the conveyance of electric energy to retail consumers from a transmission system, or from a generation facility situated within or in the immediate vicinity of a city.

Subd. 6. "Generation" means the production of electricity by any means and the acquisition of fuel of any kind for that purpose, and includes but is not limited to the acquisition of fuel deposits and the acquisition or construction and operation of facilities for extracting fuel from natural deposits, for converting it for use in another form, for burning it in place, and for transportation and storage.

Subd. 7. "Governing body", with respect to a city, means the city council or, if another board, commission, or body is empowered by law or its charter or by resolution of the city council to establish and regulate rates and charges for the distribution of electric energy within the city, such board, commission, or body shall be deemed to be the "governing body"; provided, however, that when the levy of a tax or the incurring of an obligation payable from taxes or any other action of such board, commission, or body requires the concurrence, approval, or independent action of the city council or another body under the city's charter or any other law, such action shall not be exercised under this act until such concurrence or approval is received or such independent action is taken; and provided further, that the concurrence of the city council or other elected body charged with the general management of a city shall be required, prior to the adoption by the city of any resolution approving an agency agreement or any amendment thereto.

Subd. 8. "Municipal power agency" means a separate political subdivision and municipal corporation created by agreement between or among two or more cities pursuant to section 3 to exercise any of the powers of acquisition, construction, reconstruction, operation, repair, extension, or improvement of electric generation or transmission facilities or the acquisition of any interest therein or any right to part or all of the capacity thereof.

Subd. 9. "Person" means a natural person, a public agency, or a private corporation, firm, partnership, cooperative association, or business trust of any nature whatsoever, organized and existing under the laws of any state or of the United States.

Subd. 10. "Project" means any plant, works, system, facilities, and real and personal property of any nature whatsoever, together with all parts thereof and appurtenances thereto, used or useful in the generation, production, transmission, purchase, sale, exchange, or interchange of electric energy or any interest therein or capacity thereof.

Subd. 11. "Public agency" means any city or other municipal corporation, political subdivision, governmental unit, or public

corporation created by or pursuant to the laws of this state or of another state or of the United States, and any state or the United States, and any person, board, or other body declared by the laws of any state or the United States to be a department, agency, or instrumentality thereof.

Subd. 12. "Real property" means lands, structures, franchises, and interests in land, including but not limited to lands under water, riparian rights, fees simple absolute, lesser interests such as easements, rights of way, uses, leases, licenses, and all other incorporeal hereditaments, legal and equitable estates, interests, and rights, terms of years, liens on real property by way of judgments, mortgages, or otherwise, and claims for damage to real property.

Subd. 13. "Transmission" means the transfer of electric energy from a generating facility to, between, or among one or more cities or municipal power agencies or other persons with whom they may contract, and includes but is not limited to conversion of current and voltage and transfer of energy from another source in exchange for energy supplied by such contracting parties, but does not include distribution.

Sec. 3. [453.53] [MUNICIPAL POWER AGENCIES; INCORPORATION.] Subdivision 1. Any two or more cities may form a municipal power agency by the execution of an agency agreement authorized by a resolution of the governing body of each city. The agency agreement shall state:

(1) That the municipal power agency is created and incorporated under the provisions of sections 1 to 12 as a municipal corporation and a political subdivision of the state, to exercise thereunder a part of the sovereign powers of the state;

(2) The name of the agency, which shall include the words "municipal power agency";

(3) The names of the cities which have approved the agency agreement and are the initial members of the municipal power agency;

(4) The names and addresses of the persons initially appointed by the resolutions approving the agreement to act as the representatives of the cities, respectively, in the exercise of their powers as members;

(5) Limitations, if any, upon the terms of representatives of the respective member cities, provided that such representatives shall always be selected and vacancies in their offices declared and filled by resolutions of the governing bodies of the respective cities;

(6) The names of the initial board of directors of the municipal power agency, who shall be not less than three persons who are representatives of the respective member cities, selected by the vote of a majority of such representatives; or the agreement may provide that the representatives of the member cities from time to time shall be and constitute the board of directors;

(7) The location by city, town, or other community in the state, of the registered office of the municipal power agency;

(8) That the cities which are members of the municipal power agency are not liable for its obligations; and

(9) Any other provision for regulating the business of the municipal power agency or the conduct of its affairs which may be agreed by the member cities, consistent with sections 1 to 12.

Subd. 2. The agency agreement and a certified copy of the resolution of the governing body of each city shall be filed for record with the secretary of state. If the agency agreement conforms to the requirements of this section, the secretary of state shall record it and issue and record a certificate of incorporation. The certificate shall state the name of the municipal power agency and the fact and date of incorporation. Upon the issuance of the certificate of incorporation, the existence of the municipal power agency as a political subdivision of the state and a municipal corporation shall begin. The certificate of incorporation shall be conclusive evidence of the fact of incorporation.

Subd. 3. The initial board of directors of the municipal power agency, unless otherwise provided by the agency agreement, shall be elected prior to the filing of the agreement by a majority vote of the persons acting as representatives of the member cities, from among their members. After commencement of existence, the first meeting of the board of directors shall be held at the call of the directors, after notice, for the purpose of adopting the initial bylaws, electing officers, and for any other business that comes before the meeting.

Subd. 4. Bylaws of the municipal power agency, and any amendments thereto, shall be proposed by the board of directors and shall be adopted by a majority vote of the representatives of the member cities, unless the agency agreement requires a greater vote, at a meeting held after notice. Subject to the provisions of the agency agreement, the bylaws shall state:

(a) The qualifications of member cities, and limitations, if any, upon their number;

(b) Conditions of membership, if any;

(c) Manner and time of calling regular meetings of representatives of member cities;

(d) Manner and conditions of termination of membership; and

(e) Such other provisions for regulating the affairs of the municipal power agency as the representatives of the member cities shall determine to be necessary.

Subd. 5. Every municipal power agency shall maintain an office in this state to be known as its registered office. When a municipal power agency desires to change the location of its registered office, it shall file with the secretary of state a certificate of change of location of registered office, stating the new location by city, town, or other community and effective date of change.

When the certificate of change of location has been duly filed, the board of directors may make the change without any further action.

Subd. 6. Each of the directors shall hold office for the term for which he has been selected and until a successor has been selected and has qualified. Directors shall discharge their duties in good faith, and with that diligence and care which an ordinary prudent man in a like position would exercise under similar circumstances. The agency agreement or the bylaws may prescribe the number, term of office, powers, authority, and duties of directors, the time and place of their meetings, and other regulations concerning directors. Except where the agency agreement or bylaws prescribe otherwise, the term of office of a director shall be for one year. Except where the agency agreement or bylaws prescribe otherwise, a meeting of the board of directors may be held at any place, within or without the state, designated by the board, after notice, and an act of the majority of the directors present at a meeting at which a quorum is present is the act of the board. Except where the agency agreement or bylaws prescribe otherwise, any vacancy occurring on the board shall be filled by a person nominated by the remaining members of the board and elected by a majority of representatives of the member cities.

Subd. 7. Except where the agency agreement or bylaws prescribe otherwise, the board of directors shall appoint a president from its membership, and a secretary and treasurer, and any other officers or agents deemed to be necessary, who may but need not be city representatives or directors. An officer may be removed with or without cause by the board of directors. Officers of the municipal power agency shall have the authority and duties in the management of the business of the municipal power agency that the agency agreement or bylaws prescribe, or, in the absence of such prescription, as the board of directors determines.

Subd. 8. Except as otherwise provided in the agency agreement or the bylaws, the duly authorized representatives of each member city shall act as, and vote on behalf of, such city. Except where the agency agreement or bylaws provide otherwise, representatives of the member cities shall hold at least one meeting each year for the election of directors and for the transaction of any other business. Except where the agency agreement or bylaws prescribe otherwise, special meetings of the representatives may be called for any purpose upon written request to the president or secretary to call the meeting. Such officer shall give notice of the meeting to be held between ten and 60 days after receipt of such request. Unless the agency agreement or bylaws provide for a different percentage, a quorum for a meeting of the representatives of the member cities is a majority of the total members and a quorum for meetings of the board of directors is a majority of the membership of such board.

Subd. 9. The agency agreement may be amended as proposed at any meeting of the representatives of the members for which notice, stating the purpose, shall be given to each representative and, unless the agency agreement or bylaws require otherwise, shall become effective when ratified by resolutions of a majority of the governing bodies

of the member cities. Each amendment and the resolutions approving it shall be filed for record with the secretary of state.

Subd. 10. Each member city shall have full power and authority, within budgetary limits applicable to it, to appropriate money for the payment of expenses of the formation of the municipal power agency and of its representative in exercising its functions as a member of the agency."

Page 4, line 21, strike "of this act"

Page 4, line 23, after "function" insert "and exercising a part of the sovereign powers of the state of Minnesota. All powers of the municipal power agency shall be exercised by its board of directors, unless otherwise provided by the agency agreement or bylaws"

Page 5, line 3, strike "power" and insert "energy"

Page 5, lines 4 and 5, strike "of securing electric power" and insert "thereof"

Page 5, line 7, strike "power" and insert "energy"

Page 5, line 13, strike "11 of this act" and insert "12"

Page 5, line 27, strike "of this act"

Page 5, line 28, strike "bond holders" and insert "bondholders"

Page 6, line 4, strike "of this act"

Page 6, line 11, strike "power" and insert "energy"

Page 6, line 14, strike "the municipal power agency" and insert "its board of directors"

Page 6, line 16, strike "power" and insert "energy"

Page 6, line 16, after "state" and before the comma, insert "in such amounts as it shall determine to be necessary and appropriate to make the most effective use of its powers and to meet its responsibilities"

Page 6, line 16, after "and" and before "enter" insert "may"

Page 6, line 17, after "with" insert "any person with"

Page 6, line 18, after "transmission" and before the period insert "; on such terms and for such period of time as its board of directors determines"

Page 6, lines 25 and 26, strike "11 of this act" and insert "12"

Page 7, line 29, strike "11 of this act" and insert "12"

Page 8, line 19, strike "the agency" and insert "its board of directors"

Page 8, line 32, after "the" and before "maturities" insert "amounts,"

Page 9, lines 14 and 15, strike "11 of this act" and insert "12, and rents, rates, and charges may be established pursuant to section 7 and pledged for the security of bonds or notes and interest and redemption premiums thereon,"

Page 9, line 19, strike "11 of this act" and insert "12"

Page 10, line 5, strike "power" and insert "energy"

Page 11, line 26, after "the" and before "agency" insert "municipal power"

Page 12, line 14, after "officials" insert ", the directors,"

Page 12, line 21, after "the" and before "agency" insert "municipal power"

Page 12, line 22, after "action," insert "suit,"

Page 13, line 2, strike "11 of this act" and insert "12"

Page 13, line 6, after "thereof" insert ", other than the municipal power agency,"

Page 13, line 12, after the period, insert "Nothing herein, however, precludes the use of tax or other revenue by a city for payment of amounts due and performance of covenants under any contract of the city as provided in section 8, subdivision 3."

Page 13, lines 16 and 17, strike "11 of this act" and insert "12"

Page 13, line 24, strike "or" and insert a comma

Page 13, line 24, after "transmission" insert "; or distribution"

Page 13, line 25, strike "power" and insert "energy"

Page 14, line 7, strike "power" and insert "energy"

Page 14, line 16, after "interest" insert "and redemption premiums, if any"

Page 14, line 22, strike "11 of this act" and insert "12"

Page 14, line 24, strike "11 of this act" and insert "12"

Page 14, line 25, after "power," insert "but without complying with the terms of section 3 hereof relating to incorporation,"

Page 14, line 31, strike "power" and insert "energy"

Page 15, line 6, after "bond" insert ", note,"

Page 15, line 8, strike "11 of this act" and insert "12"

Page 15, line 10, strike "11 of this act" and insert "12"

Page 15, line 13, after the period, insert the following:

"A city may, however, by resolution of its governing body and without approval of the electors or performance of other conditions provided in any charter or other law, enter into contracts with a municipal power agency for the purchase, sale, exchange, or transmission of electric energy and other services, on such terms and for such period of time as the resolution may provide."

Page 15, line 17, strike "pursuant to sections 1 to 11 of this act" and insert "when acting as a municipal power agency, or any contract made by the city with a municipal power agency, as contemplated by sections 1 to 12"

Page 16, line 1, strike "11 of this act" and insert "12"

Page 16, line 24, strike "11 of this act" and insert "12"

Page 16, after line 26, insert:

"Sec. 11. [453.61] [STATUS OF EMPLOYEES.] Employees of a municipal power agency shall be "public employees" within the meaning of Minnesota Statutes, Section 353.01, and the provisions of Minnesota Statutes, Chapter 353 shall apply to employees of a municipal power agency."

Page 16, line 27, strike "[453.61]" and insert "[453.62]"

Page 16, line 28, strike "11 of this act" and insert "12"

Page 16, line 31, after "and" insert "thing"

Page 16, line 31, strike "11 of this act" and insert "12"

Page 17, lines 4 and 5, strike "11 of this act, or the rules promulgated thereunder," and insert "12"

Page 17, lines 6 and 7, strike "11 of this act and the rules promulgated thereunder" and insert "12"

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on Local Government. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

S. F. No. 2132: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; providing for the revocation of a driver's license or permit by the commissioner of public safety upon receipt of chemical test that person's blood contains .10 percent or more by weight of alcohol; providing procedural safeguards; prescribing penalties; and appropriating money; amending Minnesota Statutes 1974, Chapter 169, by adding a section.

Reports the same back with the recommendation that the report of the Judiciary Committee reported in the Journal for February 26, 1976 that "when so amended the bill do pass" be adopted, and the bill be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

S. F. No. 1895: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money.

Reports the same back with the recommendation that the report

of the Committee on Natural Resources and Agriculture shown in the Journal for March 4, 1976 that "the bill be amended, and when so amended the bill do pass and be re-referred to the Committee on Governmental Operations" be adopted. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35,

S. F. No. 2268: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIII, Section 5; permitting a state lottery for an athletic stadium.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Labor and Commerce. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

House Concurrent Resolution No. 18: A house concurrent resolution designating the National Conference of State Legislatures as an instrumentality of the State of Minnesota.

Reports the same back with the recommendation that the resolution be adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

S. F. No. 1784: A bill for an act relating to highways; repealing a proposed amendment to Article XIV of the state constitution; repealing Laws 1975, Chapter 203, Sections 25 and 26.

Reports the same back with the recommendation that the report of the Committee on Transportation and General Legislation reported in the Journal for February 12, 1976 that "the bill do pass" be adopted, and the bill be re-referred to the Committee on Rules and Administration.

#### MINORITY REPORT

We, the undersigned, members of the Committee on Rules and Administration, to which was referred S. F. No. 1784, as a minority report, do hereby report the same back with the recommendation that the report of the majority be disapproved and that the report of the minority be that S. F. No. 1784 be given its second reading and be placed on the calendar of General Orders, which was the recommendation of the Committee on Transportation and General Legislation.

(Signed:) Carl A. Jensen, Jerome V. Blatz, Baldy Hansen.

Mr. Coleman moved that the foregoing committee report together with the minority report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2244 and 2043 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2244	2112				
2043	1942				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2244 be amended as follows:

Page 1, line 12, after "*employee*" delete "*or*" and insert a comma

Page 1, line 13, delete "*in the unit*" and insert "*, or any other person,*"

Page 2, restore the stricken language in lines 2 to 4

Page 2, line 20, delete "*80*" and insert "*85*"

Page 2, line 24, after "*and to*" insert "*a list furnished by the employer of*" and delete "*who are not*" and insert a period

Page 2, delete lines 25 to 27

Page 2, line 28, delete "*group of employees in the unit*" and insert "*by a person*"

Page 3, line 1, after "*therefor*" insert "*but the burden of proof relating to the amount of the fair share fee shall be on the exclusive representative*"

Page 3, line 6, after "*deductions*" insert "*for a fair share fee*"

Page 3, delete lines 18 and 19

Page 3, delete the new language in line 20 and insert "*(e) to hear and decide all issues in a fair share fee challenge*"

Page 4, line 4, delete "*appeals limited to*" and insert "*on*"

Page 4, line 5, delete "*any*" and insert "*a*"

Page 4, line 6, after "*challenge*" insert "*decided under section 3 of this act*" and delete the rest of the line

Page 4, delete line 7

Page 4, delete the new language in line 8

Page 4, delete lines 9 to 15

Renumber the remaining section

Page 4, line 17, after "*enactment*" insert "*and sections 3 and 4 shall apply retroactively to any proceeding presently pending challenging the circumstances and amount of a fair share fee*"

And when so amended, H. F. No. 2244 will be identical to S.F. No. 2112 and further recommends that H. F. No. 2244 be given its second reading and substituted for S. F. No. 2112 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2043 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination for election or election to any statewide office or legislative office or county office in any county or any city office in any city of more than 20,000 population, other than a federal office for which candidates are required to report under federal laws. The term candidate shall also include supreme court and district court judges of the state. An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his consent, implicit or explicit, for any other person to receive contributions or make expenditures in excess of \$100 with a view to bringing about his nomination for election or election to an office.

Sec. 2. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

*Subd. 6a. "Local ethics office" means:*

*(a) The county auditor for candidates for elected county office and elected county officials in any county;*

*(b) The city clerk for candidates for elected city office and elected city officials in any city of more than 20,000 population.*

Sec. 3. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

*Subd. 9a. "City or county election" means a regular, special, primary, or special primary election for county office in any county or for city office in any city of more than 20,000 population, including a convention or caucus of a political party held to nominate or endorse a candidate for the offices of mayor and city council in cities of the first class.*

Sec. 4. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

*Subd. 11a. "Local public official" means any person holding elective county office in any county or elected city office in any city of more than 20,000 population.*

Sec. 5. Minnesota Statutes 1974, Section 10A.02, Subdivision 7, is amended to read:

Subd. 7. All members and employees of the commission shall be

subject to any provisions of law regulating political activity by state employees. In addition, no member or employee of the commission shall be a candidate for, or holder of, (a) a national, state, congressional district, legislative district, county or precinct office in a political party, or (b) an elected public office for which party designation is required by statute in the state, an elective county office in any county, or an elective city office in any city of more than 20,000 population.

Sec. 6. Minnesota Statutes 1974, Section 10A.02, Subdivision 8, is amended to read:

Subd. 8. The commission shall: (a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The commission shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;

(b) Prescribe forms for statements and reports required to be filed under sections 10A.01 to 10A.34 and make the forms available to persons required to file them;

(c) Make available to the persons required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of sections 10A.01 to 10A.34;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any person may copy a report or statement by hand or by duplicating machine and the commission shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any person for any commercial purpose;

(f) *Notwithstanding the provisions of section 138.163, preserve reports and statements for a period of six five years from the date of receipt;*

(g) Compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidate; and

(h) Prepare and publish reports as it may deem appropriate. *Local ethics offices shall carry out the duties provided in subdivisions (d), (e), (f), (g), and (h) of this section.*

Sec. 7. Minnesota Statutes 1974, Section 10A.02, Subdivision 9, is amended to read:

Subd. 9. *The commission, the executive director of the commission or his staff, or local ethics office shall inspect all material filed with the commission as promptly as is necessary to comply with the provisions of sections 10A.01 to 10A.34. The executive director*

*or local ethics office* shall immediately notify the person required to file a document with the commission *or office* if a written complaint is filed with the commission *or office* by any registered voter alleging, or it otherwise appears, that a document filed with the commission *or office* is inaccurate or does not comply with the provisions of sections 10A.01 to 10A.34 or that a person has failed to file a document required by sections 10A.01 to 10A.34.

Sec. 8. Minnesota Statutes 1974, Section 10A.02, Subdivision 10, is amended to read:

Subd. 10. The commission may make audits and investigations with respect to statements and reports which are filed or which should have been filed under the provisions of sections 10A.01 to 10A.34. In all matters relating to its official duties, the commission *or local ethics office* shall have the power to issue subpoenas and cause them to be served. If a person does not comply with a subpoena, the commission *or local ethics office* may apply to the district court of ~~Ramsey county~~ *the county in which it is located* for issuance of an order compelling obedience to the subpoena. A person failing to obey the order is punishable by the court as for contempt.

Sec. 9. Minnesota Statutes 1974, Section 10A.02, Subdivision 11, is amended to read:

Subd. 11. Any hearing or action of the commission *or local ethics office* concerning any complaint or investigation shall be confidential and all information obtained by the commission *or office* shall be privileged until the commission makes a finding that the commission *or office* believes there is or is not probable cause to conclude that a violation of Laws 1974, Chapter 470 or other campaign laws has occurred. Any person, including any member or employee of the commission *or office*, violating the confidentiality provisions of this subdivision shall be guilty of a gross misdemeanor. After determination of its findings the commission *or office* shall report any finding of probable cause to the appropriate law enforcement authorities.

Sec. 10. Minnesota Statutes 1974, Section 10A.02, Subdivision 13, is amended to read:

Subd. 13. The provisions of chapter 15, shall apply to the commission *or local ethics office* including the power to prescribe rules and regulations to carry out the purposes of sections 10A.01 to 10A.34. *The rules concerning disclosure of campaign financing and economic interests shall be applied to all local ethics offices.*

Sec. 11. Minnesota Statutes 1974, Section 10A.09, Subdivision 1, is amended to read:

10A.09 [STATEMENTS OF ECONOMIC INTEREST.] Subdivision 1. Except for a candidate for elective office in the judicial branch, an individual shall file a statement of economic interest with the commission *or local ethics office* ;

(a) Within 60 days of accepting employment as a public official; or

(b) Within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective public office *including any statewide or legislative office or any county office in any county or any city office in any city of more than 20,000 population* ; or

(c) In the case of a public official requiring the advice and consent of the senate, prior to the submission of his name to the senate, and in any event, within 60 days after he undertakes the duties of his office.

Sec. 12. Minnesota Statutes 1974, Section 10A.09, Subdivision 2, is amended to read:

Subd. 2. The secretary of state or the appropriate county auditor upon receiving an affidavit of candidacy or petition to appear on the ballot from an individual required by this section to file a statement of economic interest, and any official who nominates or employs a public official required by this section to file a statement of economic interest, shall notify the *commission or local ethics office* of the name of the individual required to file a statement and the date of the affidavit, petition or nomination.

Sec. 13. Minnesota Statutes 1974, Section 10A.09, Subdivision 3, is amended to read:

Subd. 3. The *commission or local ethics office* shall notify the secretary of state or the appropriate county auditor and, when necessary in the case of appointive office, the presiding officer of the house that will approve or disapprove the nomination, of the name of the individual who has filed a statement of economic interest with the *commission or local ethics office* and the date on which the statement was filed.

Sec. 14. Minnesota Statutes 1974, Section 10A.09, Subdivision 4, is amended to read:

Subd. 4. The *commission or local ethics office* shall notify by registered mail any candidate for elective office who fails within 14 days after filing for office to submit a statement of economic interest required by this section. A candidate who knowingly fails to submit a statement of economic interest within seven days after receiving notice from the *commission or local ethics office* is guilty of a misdemeanor.

Sec. 15. Minnesota Statutes 1974, Section 10A.09, Subdivision 7, is amended to read:

Subd. 7. All *local* public officials in office on ~~April 13, 1974~~ *the effective date of this act* shall file with the ~~commission~~ *local ethics office* a statement of economic interest within ~~60~~ *90* days after the date ~~the commission issues statement of economic interest forms~~ *of final enactment* .

Sec. 16. Minnesota Statutes 1974, Section 10A.09, Subdivision 8, is amended to read:

Subd. 8. Any public official, except a ~~member of the legislature or a constitutional officer~~ *public official in the state, and a local public official* , who is required to file a statement of economic interest

and fails to do so by the prescribed deadline shall be suspended without pay by the commission in the manner prescribed in the contested case procedures in chapter 15.

Sec. 17. Minnesota Statutes 1974, Section 10A.17, Subdivision 2, is amended to read:

Subd. 2. *In elections for statewide and legislative office*, no person or persons acting in concert other than the candidate and the treasurer of the candidate's principal campaign committee may make expenditures of more than \$20 with the authorization or consent, express or implied, of a candidate or his agent, or under the control, direct or indirect, of a candidate or his agent on behalf of a candidate without receiving from the treasurer of that candidate's principal campaign committee (i) prior written authorization and (ii) certification that the expenditures will not exceed the limits on expenditures as set forth in sections 10A.25 and 10A.27. All such expenditures shall be counted against the spending limitations of the candidate.

Sec. 18. Minnesota Statutes 1974, Section 10A.17, Subdivision 3, is amended to read:

Subd. 3. The treasurer or deputy treasurer of a political committee may make an authorization for petty cash in any reporting period of not more than \$100 per week for statewide elections and \$20 per week in legislative, county or city elections to be used for miscellaneous expenditures.

Sec. 19. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for city, county and legislative candidates and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year of each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b);

(d) The name and address of each political committee, political fund or candidate from which the reporting committee or fund received, or to which that committee made, any transfer of funds, together with the amounts and dates of all transfers. The lists shall be in alphabetical order;

(e) Each loan to or from any person within the year in an aggregate amount or value in excess of \$100, together with the full names and mailing address, occupations and the principal places of business, if any, of the lender or endorsers, if any, and the date and amount of the loans;

(f) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (e);

(g) The total sum of all receipts by or for the political committee or political fund during the reporting period;

(h) The name, address, occupation and the principal place of business, if any, of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made;

(i) The sum of individual expenditures which is not otherwise reported under clause (h);

(j) The name, address, occupation and the principal place of business, if any, of each person to whom an expenditure for personal services, salaries, and reimbursable expenses in excess of \$100 has been made, and which is not otherwise reported, including the amount, date and purpose of the expenditure;

(k) The sum of individual expenditures for personal services, salaries and reimbursable expense which is not otherwise reported under (j);

(l) The total expenditures made by the political committee or political fund during the reporting period;

(m) The amount and nature of debts and obligations owed by or to the political committee or political fund, and a continuous reporting of their debts and obligations after the election until the debts and obligations are extinguished;

(n) The amount and nature of any contract, promise or agreement, in writing, whether or not legally enforceable, to make a contribution or expenditure;

(o) The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 20. Minnesota Statutes 1974, Section 10A.20, Subdivision 5, as amended to read:

Subd. 5. In any statewide election any contribution or contributions from a person or association totaling \$2,000 or more, or in any *city, county* or legislative election any contribution of \$200 or more, received after the period covered in the last report prior to an election and prior to the election shall be reported to the com-

mission or local ethics office by telegram within 48 hours after its receipt and in the next required report.

Sec. 21. Minnesota Statutes 1974, Section 10A.33, is amended to read:

10A.33 [APPLICATION.] The provisions of sections 10A.30 to 10A.32 shall apply only in statewide and legislative general elections and primary elections preceding statewide and legislative general elections and shall not include apply in special elections, special primary elections, conventions and caucuses of a political party or elections for city or county offices.

Sec. 22. [REPEAL.] Minnesota Statutes, 1975 Supplement. Sections 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27; 210A.28; 210A.32 and 210A.33 are repealed."

Further, delete the title and insert:

"A bill for an act relating to ethics in government; conduct of certain local public officials and candidates for local elected offices; imposing duties on counties and certain city clerks; amending Minnesota Statutes 1974, Sections 10A.01, Subdivision 5, and by adding subdivisions; 10A.02, Subdivisions 7, 8, 9, 10, 11 and 13; 10A.09, Subdivisions 1, 2, 3, 4, 7 and 8; 10A.17, Subdivisions 2 and 3; 10.20, Subdivisions 3 and 5; and 10A.33; repealing Minnesota Statutes, 1975 Supplement, Sections 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27; 210A.28; 210A.32; and 210A.33."

And when so amended, H. F. No. 2043 will be identical to S. F. No. 1942 and further recommends that H. F. No. 2043 be given its second reading and substituted for S. F. No. 1942 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 2105 for comparison to companion Senate File, reports the following House File was found identical and recommends the House File be given its Second Reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
		2105	2031		

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. No. 1313, 2262, 2078, 556, 1932 and 2432 were read the second time.

#### SECOND READING OF HOUSE BILLS

H. F. Nos. 2105, 2244 and 2043 were read the second time.

#### MOTIONS AND RESOLUTIONS

Mr. Moe moved that H. F. No. 1957 be withdrawn from the

Committee on Natural Resources and Agriculture and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 2027 now on General Orders. The motion prevailed.

Mr. Arnold moved that H. F. No. 116 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1313 now on General Orders. The motion prevailed.

Mr. Laufenburger moved that H. F. No. 1912 be withdrawn from the Committee on Transportation and General Legislation and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1861 now on General Orders. The motion prevailed.

Mr. Milton moved that his name be stricken as co-author to S. F. No. 2041. The motion prevailed.

Mr. Moe moved that S. F. No. 2430 be withdrawn from the Committee on Natural Resources and Agriculture and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Laufenburger moved that S. F. No. 2401 be withdrawn from the Committee on Transportation and General Legislation and re-referred to the Committee on Finance. The motion prevailed.

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

**BE IT RESOLVED**, by the Senate, that the following named persons be and are hereby appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Debbie D. Paulson, Page, effective March 1, 1976

Rev. Alden Lynch, Chaplain, effective March 1, 1976

Rabbi Harold Schechter, Chaplain, effective March 8, 1976

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Coleman moved that House Concurrent Resolution No. 18, be now adopted, in accordance with the report from the Committee on Rules and Administration adopted today.

House Concurrent Resolution No. 18: A house concurrent resolution designating the National Conference of State Legislatures as an instrumentality of the State of Minnesota.

WHEREAS, the National Conference of State Legislatures is an official membership organization of the State of Minnesota and of the several States and Territories of the United States, supported through regular and continuing appropriations from the State treasuries, and serving the Legislators and Legislative Staff of the several States and Territories of the United States as in interstate authority and joint instrumentality for the pursuit of common objectives; and

WHEREAS, the Legislatures of the several States and Territories, have recently brought about a merger of three previously competing organizations of State Legislators into the National

Conference of State Legislatures in order to better serve the State of Minnesota and the several States and Territories of the United States as a joint instrumentality; now, therefore,

**BE IT RESOLVED**, by the House of Representatives of the State of Minnesota, the Senate concurring, that the State of Minnesota designates the National Conference of State Legislatures an instrumentality of the State of Minnesota. Its work is clearly the work of Minnesota State Government, and indeed as an instrumentality of all the states, the National Conference of State Legislatures is critical to the achievement of the common goals of state government.

The question being taken on the adoption of the resolution,

And the roll being called, there were yeas 52 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Knutson	Olson, J. L.	Solon
Bang	Dunn	Kowalczyk	O'Neill	Spear
Bernhagen	Frederick	Larson	Patton	Stassen
Blatz	Gearty	Laufenburger	Perpich, A. J.	Stokowski
Borden	Hanson, R.	Lewis	Pillsbury	Stumpf
Brataas	Hughes	Merriam	Purfeerst	Ueland
Brown	Humphrey	Milton	Renneke	Wegener
Chmielewski	Jensen	Moe	Schaaf	Willet
Coleman	Keefe, J.	Nelson	Schmitz	
Conzemius	Kirchner	Olson, A. G.	Schrom	
Davies	Kleinbaum	Olson, H. D.	Sillers	

Messrs. Hansen, Mel; Keefe, S. and Tennessen voted in the negative.

The motion prevailed. So the resolution was adopted.

Mr. Milton moved that the name of Mr. Davies be added as chief author to S. F. No. 153. The motion prevailed.

Mr. Moe moved that the name of Mr. Renneke be added as co-author to S. F. No. 2027. The motion prevailed.

Mr. Moe moved that the report from the Committee on Natural Resources and Agriculture, reported March 4, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Moe moved that the foregoing report be now adopted. The motion prevailed.

#### CONFIRMATION

Mr. Moe moved that in accordance with the report from the Committee on Natural Resources and Agriculture, reported March 4, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

#### POLLUTION CONTROL AGENCY

Mrs. Marion Watson, 2140 West Hoyt Avenue, St. Paul, Ramsey County, appointed effective February 15, 1976, for a term expiring February 15, 1980.

Joseph Grinnell, 2901 Idylwood Drive, Edina, Hennepin County, appointed effective February 15, 1976, for a term expiring February 15, 1980.

The motion prevailed. So the appointments were confirmed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 11:30 o'clock a.m., Monday, March 8, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTY-FOURTH DAY

St. Paul, Minnesota, Monday March 8, 1976

The Senate met at 11:30 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Arnold	Conzemius	Jensen	North	Renneke
Bang	Davies	Keefe, S.	Ogdahl	Schmitz
Berg	Doty	Kirchner	Olhoft	Schrom
Bernhagen	Frederick	Kowalczyk	Olson, A. G.	Spear
Brown	Gearly	Larson	Perpich, A. J.	Stokowski
Chenoweth	Hansen, Baldy	McCutcheon	Perpich, G.	Willet
Chmielewski	Hansen, Mel	Merriam	Pillsbury	
Coleman	Hanson, R.	Milton	Purfeerst	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rabbi Harold Schechter.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, S.	North	Schaaf
Arnold	Doty	Kirchner	Ogdahl	Schmitz
Bang	Dunn	Kleinbaum	Olhoft	Schrom
Berg	Frederick	Knutson	Olson, A. G.	Sillers
Bernhagen	Gearly	Kowalczyk	Olson, H. D.	Solon
Blatz	Hansen, Baldy	Larson	Olson, J. L.	Spear
Borden	Hansen, Mel	Laufenburger	O'Neill	Stassen
Brataas	Hanson, R.	Lewis	Patton	Stokowski
Brown	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Humphrey	Merriam	Perpich, G.	Tennessee
Chmielewski	Jensen	Milton	Pillsbury	Ueland
Coleman	Josefson	Moe	Purfeerst	Wegener
Conzemius	Keefe, J.	Nelson	Renneke	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Mr. Fitzsimons was excused from the Session of today. Messrs. Ashbach, Humphrey, Knutson, Stumpf and Ueland were excused from the early part of today's Session.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

March 5, 1976

The Honorable Alec Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate Files:

S. F. No. 869, An act relating to St. Louis county; providing for the disposition of the proceeds from the sale or rental of tax forfeited lands or from the sale of any products therefrom.

S. F. No. 1551, An act relating to highways; designating and describing the route of the Viking Trail; amending Minnesota Statutes 1974, Section 161.14, by adding a subdivision.

Sincerely,  
Wendell R. Anderson, Governor

March 8, 1976

The Honorable Alec Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate Files:

S. F. No. 570, An act relating to taxation; increasing the income tax deduction for dependents' school expenses; amending Minnesota Statutes 1974, Section 290.09, Subdivision 22.

S. F. No. 1816, An act relating to game and fish; authorizing additional moose seasons; amending Minnesota Statutes, 1975 Supplement, Section 100.27, Subdivision 2.

Sincerely,  
Wendell R. Anderson, Governor

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Messrs. Milton, Humphrey and Schaaf introduced—

S. F. No. 2488: A bill for an act relating to public welfare; providing an alternative care program for elderly persons; authorizing payments to families with elderly dependents; providing for appeal of denial of application for aid; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Kowalczyk, Lewis and Blatz introduced—

S. F. No. 2489: A bill for an act relating to taxation; providing for a deduction from income for the cost of replacement of prohibited gas lamps; amending Minnesota Statutes 1974, Section 290.09, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kleinbaum; Hanson, R. and Willet introduced—

S. F. No. 2490: A bill for an act relating to commerce; regulating going out of business sales and certain other sales; providing a penalty.

Referred to the Committee on Labor and Commerce.

Messrs. Stassen, Conzemius and Ashbach introduced—

S. F. No. 2491: A bill for an act relating to the metropolitan transit commission; eliminating the authority of the commission to acquire an existing public transit system by condemnation; amending Minnesota Statutes, 1975 Supplement, Section 473.405, Subdivision 1.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Patton, Renneke and Ueland introduced—

S. F. No. 2492: A bill for an act relating to public employees; administrative expenses of salary deductions for annuity contracts; appropriating funds; repealing Minnesota Statutes, 1975 Supplement, Section 356.26.

Referred to the Committee on Governmental Operations.

Mr. Nelson, Mrs. Brataas and Mr. Stassen introduced—

S. F. No. 2493: A bill for an act relating to meetings of state agencies and of governing bodies open to the public; requiring the state ethics commission to hear alleged violations of open meeting law requirements and to refer any charged violation for which it finds probable cause to the appropriate county attorney for possible criminal prosecution; prescribing penalties; amending Minnesota Statutes 1974, Section 471.705, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Nelson, Pillsbury and O'Neill introduced—

S. F. No. 2494: A bill for an act relating to meetings of official bodies; extending the open meeting law to the legislature;

amending Minnesota Statutes 1974, Section 471.705, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Nelson, Milton and Ashbach introduced—

S. F. No. 2495: A resolution urging Congress to enact a federal block grant combining existing federal programs.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Nelson, Stassen and Ashbach introduced—

S. F. No. 2496: A bill for an act relating to education; school aids; creating a legislative school finance study commission; appropriating money.

Referred to the Committee on Education.

Messrs. Bang, Larson and Stassen introduced—

S. F. No. 2497: A bill for an act relating to commerce; regulating securities trading; amending Minnesota Statutes, 1975 Supplement, Section 80A.14.

Referred to the Committee on Labor and Commerce.

Mr. Josefson introduced—

S. F. No. 2498: A bill for an act relating to state fire and police aid; amending Minnesota Statutes 1974, Sections 69.011, Subdivisions 1, 2, and 4; 69.021, Subdivisions 4, 5, 6, 7, and 9; 69.031, Subdivisions 4 and 5; 69.051, Subdivisions 1 and 4; and 69.774, Subdivisions 1 and 2; repealing Minnesota Statutes 1974, Sections 69.051, Subdivision 3; and 69.33.

Referred to the Committee on Governmental Operations.

Messrs. Stumpf, Spear and Chenoweth introduced—

S. F. No. 2499: A bill for an act relating to solid waste control; imposing an assessment on certain procedures of solid waste materials; creating a fund from the proceeds of the assessment to use for resource recovery programs; requiring retailers to offer beverages for sale in returnable containers; providing for price information disclosures; providing penalties; appropriating money.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Conzemius and Laufenburger introduced—

S. F. No. 2500: A bill for an act relating to environmental pro-

tection; limiting the sale and use of organic compounds known as polychlorinated biphenyls; permitting exemptions; requiring labels; defining terms; providing a penalty.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Solon introduced—

S. F. No. 2501: A bill for an act relating to Independent School District No. 710; providing for the establishment of separate election districts for each high school attendance district.

Referred to the Committee on Education.

Messrs. O'Neill, Stumpf and Ashbach introduced—

S. F. No. 2502: A bill for an act relating to Ramsey county and St. Paul-Ramsey hospital.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Milton, Lewis and Humphrey introduced—

S. F. No. 2503: A bill for an act relating to public welfare; removing certain day care and residential facilities from the provisions of the Minnesota certificate of need act; amending Minnesota Statutes 1974, Chapter 145, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 145.72, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Milton introduced—

S. F. No. 2504: A bill for an act relating to health; requiring certain health care facilities to establish grievance procedures; mandating study of in-service education; requiring insurers to report malpractice claims made against facilities; authorizing the board of health to collect and review information.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Milton and Olhoft introduced—

S. F. No. 2505: A bill for an act relating to insurance; establishing a temporary joint underwriting association for medical malpractice insurance; requiring membership; setting standards; providing for appeals, recovery of contributions and reporting of financial conditions; establishing an expiration date.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Tennesen introduced—

S. F. No. 2506: A bill for an act relating to public welfare;

establishing programs for displaced homemakers; establishing multipurpose service programs; defining terms; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Lewis and Milton introduced—

S. F. No. 2507: A bill for an act relating to human rights; changing duties of commissioner; increasing penalties; amending Minnesota Statutes 1974, Sections 363.05, Subdivision 1; 363.06, Subdivision 5; 363.071, Subdivision 2; and 363.14, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Willet, Stumpf and Schrom introduced—

S. F. No. 2508: A bill for an act relating to taxation; providing for a refund of certain amounts of taxes paid for the 1975 taxable year; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Mr. Purfeerst introduced—

S. F. No. 2509: A bill for an act relating to state lands; authorizing the conveyance of certain state lands in Rice county to the city of Faribault for the purpose of establishing a nature and agricultural interpretative center.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Frederick introduced—

S. F. No. 2510: A bill for an act relating to natural resources; authorizing the designation of the Zumbro river as a canoe and boating route; amending Minnesota Statutes 1974, Section 85.32, Subdivision 1.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Perpich, A. J. introduced—

S. F. No. 2511: A bill for an act relating to taxation; providing for taxation of property owned or operated by nonprofit group health organizations providing dental care; amending Minnesota Statutes, 1975 Supplement, Section 272.02, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk with the exception of the report on S. F. No. 2342, be now adopted. The motion prevailed.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2152: A bill for an act relating to anatomical gifts; eye enucleation; authorizing eye enucleation upon pronouncement of death by a physician; amending Minnesota Statutes, 1975 Supplement, Section 525.924, Subdivision 6.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was re-referred

S. F. No. 1191: A bill for an act relating to Carlton County; authorizing the establishment of a human services board for Carlton county.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2032: A bill for an act relating to public welfare; establishing pilot programs for community mental health treatment; naming a nonprofit corporation to administer programs; appropriating money; amending Minnesota Statutes 1974, Chapter 245, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, strike "*Subdivision 1.*"

Page 1, line 12, strike "*, either separately or in conjunction with each other,*"

Page 1, line 13, after "*may*" insert "*individually or jointly*"

Page 1, line 13, strike "*rendering*" and insert "*to provide*"

Page 1, line 15, strike "*for*" and insert "*to*"

Page 1, line 16, strike "*in or outside of institutions*" and insert "*residing in those counties*"

Page 1, line 16, after "*The*" insert "*pilot*"

Page 1, line 18, strike "*have to*"

Page 1, line 18, strike "*take*" and insert "*use*"

Page 1, line 19, strike "*advantage of usual*" and insert "*currently available*"

Page 1, line 19, strike "*in order*" and insert "*and shall be designed*"

Page 1, line 21, strike "*need for*"

Page 1, strike lines 22 and 23

Page 2, strike lines 1 through 12

Page 2, line 14, strike "*department*" and insert "*commissioner*"

Amend the title as follows:

Page 1, strike line 4

Page 1, line 5, strike "programs;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1957: A bill for an act relating to medical assistance for the needy; prohibiting false claims for reimbursement; making certain vendors ineligible for reimbursement; providing access to certain medical records for verification of claims; amending Minnesota Statutes 1974, Sections 256B.064; 256B.27; Chapter 256B, by adding a section; Minnesota Statutes, 1975 Supplement, Section 609.52, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, strike "finally"

Page 1, line 19, strike "*has been found*" and insert "*submits to the state agency a claim for reimbursement, a cost report, or a rate application which he knows to be false in whole or in part*"

Page 1, line 20, strike "*guilty of a violation of section 4 of this act*"

Page 1, line 25, strike "*Any*" and insert "*No*"

Page 1, line 25, strike "*found*" and insert "*shall be declared*"

Page 1, line 25, after "*ineligible*" insert "*without prior notice and an opportunity for a hearing, pursuant to Minnesota Statutes, Chapter 15, on the commissioner's proposed action.*"

Page 2, strike lines 1 to 3 and insert:

"Sec. 2. Minnesota Statutes, 1975 Supplement, Section 256B.12, is amended to read:

256B.12 [LEGAL REPRESENTATION.] The attorney general or the appropriate county attorney appearing at the direction of the attorney general shall be the attorney for the state agency, and the county attorney of the appropriate county shall be the attorney for the local agency in all matters pertaining hereto. *To prosecute under this chapter or sections 5 and 6 of this act, or to recover payments wrongfully made under this chapter, the attorney general or the appropriate county attorney, acting independently or at the direction of the attorney general may institute a criminal or civil action.*"

Page 2, line 12, after "*operations*" insert "*or of medical care provided which are*"

Page 2, line 13, strike "nursing homes" and insert "vendors of medical care"

Page 2, line 14, after "rates" insert "or reimbursement"

Page 2, line 14, strike "subscribed and sworn to" and insert "submitted under oath as to the truthfulness of their contents"

Page 2, line 14, after "by" insert "the vendor or"

Page 2, line 15, strike "owner of the nursing home" and insert "vendor"

Page 2, line 16, strike "shall be" and insert "may have"

Page 2, line 17, strike "allowed"

Page 2, line 17, strike "all"

Page 2, line 18, after "recipients" insert "only with the written consent of the recipient who is the subject of the records or his guardian, if one has been appointed. Such consent may not be a condition of eligibility for medical assistance under this chapter. Access to the records shall be"

Page 2, line 18, strike "determining" and insert "investigating"

Page 2, line 22, strike "violated section 4 of this act." and insert "submitted a claim for reimbursement, a cost report, or a rate application which he knows to be false in whole or in part. To the extent feasible, the commissioner shall contract with a review organization, as defined in Minnesota Statutes, Section 145.61, in determining whether or not the medical care provided was medically necessary. Access to the medical records of medical assistance recipients solely for the purposes specified under this subdivision shall not affect the status of the records as confidential records within the meaning of Minnesota Statutes, Section 15.162, subdivision 2a."

Page 2, strike lines 23 to 26

Page 2, line 30, after "report" insert ". rate application"

Page 2, line 31, after "which" insert "the vendor knows"

Page 3, line 5, strike "fraudulent"

Page 3, line 5, strike "received" and insert "which resulted from the false representation,"

Page 3, after line 7, insert:

"Sec. 5 Minnesota Statutes 1974, Chapter 609, is amended by adding a section to read:

[609.466] [MEDICAL ASSISTANCE FRAUD.] Any person who, with the intent to defraud, presents a claim for reimbursement, a cost report or a rate application, relating to the payment of medical assistance funds pursuant to Minnesota Statutes, Chapter 256B, to the state agency, which is false in whole or in part, is guilty of an attempt to commit theft of public funds and may be sentenced accordingly."

Page 4, line 9, after " a " insert " *claim for reimbursement, a rate application, or a* "

Page 4, line 10, strike " *services* " and insert " *care* "

Page 4, line 12, strike " *report* "

Page 4, line 12, after " *intentionally* " insert " *and* "

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 6, after the semicolon and before "amending" insert "providing for a penalty;"

Page 1, line 7, strike "Chapter" and insert "Chapters"

Page 1, line 8, after "256B" and before the comma insert: "and 609"

Page 1, line 8, strike "a section" and insert "sections"

Page 1, line 9, strike "Section" and insert "Sections 256B.12 and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was re-referred

S. F. No. 60: A bill for an act relating to insurance; providing for the establishment and administration of plans of health insurance to provide certain minimum benefits to all persons in the state; creating a comprehensive health care association; providing a dual option for health care for certain employees; regulating health maintenance organizations' coverage of dental services and conversion privileges; appropriating money; amending Minnesota Statutes 1974, Section 62D.12, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 12, strike "or"

Page 3, line 14, before the period insert " , or (5) *credit accident and health insurance issued pursuant to chapter 62B* "

Page 6, after line 26, insert:

"*Subd. 6. An insurer or fraternal may fulfill its obligations under this section by issuing the required coverages in their own name and pooling the risk of the coverages in the association in accordance with section 9, subdivision 5, clauses (e) and (f). Nothing in this section shall require an insurer or fraternal to offer or issue a policy to any person who does not meet the underwriting or membership requirements of the insurer or fraternal.*"

Page 12, after line 22, insert:

"*Subd. 5. [GENERAL POWERS.] The association may:*

(a) *Exercise the powers granted to insurers under the laws of this state;*

(b) *Sue or be sued;*

(c) *Enter into contracts with insurers, similar associations in other states or with other persons for the performance of administrative functions including the functions provided for in clauses (e) and (f);*

(d) *Establish administrative and accounting procedures for the operation of the association;*

(e) *Provide for the reinsuring of risks incurred as a result of issuing the coverages required by section 4 by members of the association. Each member which elects to reinsure its required risks shall determine the categories of coverage it elects to reinsure in the association. The categories of coverage are:*

(i) *Individual qualified plans, excluding group conversions;*

(ii) *Group conversions required by section 17;*

(iii) *Group qualified plans with fewer than 50 employees or members; and*

(iv) *catastrophic coverage required by section 4, subdivision 4.*

*A separate election may be made for each category of coverage. If a member elects to reinsure the risks of a category of coverage, it must reinsure the risk of the coverage of every life covered under every policy issued in that category. Members electing to administer the risks which are reinsured in the association shall comply with the benefit determination guidelines and accounting procedures established by the association. The fee charged by the association for the reinsurance of risks shall not be less than 110% of the total anticipated expenses incurred by the association for the reinsurance; and*

*(f) Provide for the administration by the association of policies which are reinsured pursuant to clause (e) of this subdivision. Each member electing to reinsure one or more categories of a qualified plan in the association may elect to have the association administer the categories of qualified plans on the member's behalf. If a member elects to have the association administer the categories of qualified plans, it must do so for every life covered under every policy issued in that category. The fee for the administration shall not be less than 110 percent of the total anticipated expenses incurred on behalf of the association for the administration."*

Page 19, line 6, strike "subdivisions" and insert "a subdivision"

Page 19, strike lines 14 through 24

Amend the title as follows:

Page 1, line 12, strike "subdivisions" and insert "a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G., from the Committee on Local Government, to which was referred

S. F. No. 2342: A bill for an act relating to public health; provid-

ing for a referendum to determine whether the fluoride in municipal water supplies should be controlled; amending Minnesota Statutes 1974, Section 144.145.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, strike lines 10 through 16, and insert

*"Subd. 2. The governing body of any municipality may, and upon a petition signed by voters equal in number to at least 15 percent of the electors voting at the last regular municipal election, shall submit to the voters at a regular or special election the question of whether the municipal water supply shall be fluoridated. The question submitted shall be worded substantially as follows:*

*"Shall the municipal water supply be fluoridated?"*

*The question shall be followed by the words "yes" and "no" with an appropriate square before each on which a voter may record his choice.*

*The clerk shall certify the results of the fluoridation referendum to the secretary of state and to the state board of health within ten days after the election.*

*If a majority of the votes cast on the question disapprove fluoridation, the person, firm, corporation, or municipality having jurisdiction over the municipal water supply shall cease to fluoridate the water within 20 days after certification of the results of the election by the clerk, and thereafter fluoridation of the water supply within the municipality shall not be permitted until the vote is reversed at a subsequent regular or special election at which the question of fluoridation is again and in like manner submitted. Once a fluoridation referendum has been held, the question may not be submitted to the electors within two years from the date the election was held."*

Amend the title as follows:

Page 1, line 3, strike "the fluoride in"

Page 1, line 4, strike "controlled" and insert "fluoridated"

And when so amended the bill do pass. Mr. Larson questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Olson, A. G., from the Committee on Local Government, to which was referred

S. F. No. 975: A bill for an act relating to counties; written notice of public hearings relating to planning and zoning activities; amending Minnesota Statutes 1974, Section 394.26, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, after "including" insert "but not limited to"

Page 2, line 1, after "variances" insert ", zoning regulations."

Page 2, line 2, strike "subdivisions" and insert "*subdivision regulations*"

Page 2, line 3, strike the comma and reinstate the stricken language

Page 2, line 4, reinstate the stricken "areas"

Page 2, line 4, before "the" insert "*. In unincorporated areas, the written notice shall be sent to property owners as follows:*

*(a) In the case of variances, to owners of record within 500 feet of the affected property or to the ten properties nearest to the affected property, whichever would provide notice to the greatest number of owners;*

*(b) In the case of conditional uses, to owners of record within one-quarter mile of the affected property or to the ten properties nearest to the affected property, whichever would provide notice to the greatest number of owners;*

*(c) In the case or all other official controls, including but not limited to zoning regulations and subdivision regulations, to owners of record within one-half mile of the affected property.*

*Written notice shall also be given to"*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G., from the Committee on Local Government, to which was referred

S. F. No. 1812: A bill for an act relating to the county of Lake of the Woods; authorizing the county to acquire real estate for and establish and operate a television translator system either within or without the county.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Olson, A. G., from the Committee on Local Government, to which was referred

S. F. No. 2284: A bill for an act relating to the counties of Nobles and Rock; authorizing the acquisition of real estate for the operation of television translator systems.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2303: A bill for an act relating to public welfare; authorizing grants for community residential facilities for the cerebral palsied; appropriating money; amending Minnesota Statutes 1974, Section 252.30; and Chapter 252, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, strike "*persons who are mentally retarded*"

Page 1, line 16, strike "*or both*"

Page 1, line 16, restore the stricken "*persons*"

Page 2, line 19, strike "*treatment*"

Page 2, line 23, strike "*treatment*" and insert "*facilities*"

Page 2, line 27, strike "*treatment*"

Page 2, line 32, strike "*such a*" and insert "*the*"

Page 3, line 10, strike "*department*" and insert "*commissioner*"

Page 3, line 10, strike "\$ . . . . ." and insert "\$1,250,000"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2270: A bill for an act relating to the Middle River-Snake River watershed district, providing for taxes.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1579: A bill for an act relating to legal assistance; providing state aid to certain legal assistance corporations; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. The sum of \$315,000 shall be appropriated to the commissioner of administration from the general fund for the purpose of assisting in the provision of criminal and juvenile defense to indigent individuals.

Sec. 2. The following sums shall be disbursed in the fiscal year ending June 30, 1977:

Duluth, \$100,000.

St. Paul, \$50,000.

Minneapolis, \$65,000.

Leech Lake, \$50,000.

White Earth, \$50,000.

Sec. 3. The sums appropriated by this act shall be distributed by the commissioner of administration in consultation with the attorney general to one non-profit criminal and juvenile defense corpora-

tion in each of the five named localities. Funds may not be disbursed to a corporation in the Leech Lake reservation area and the White Earth reservation area without prior approval by the respective reservation business committee. Funds shall be disbursed to those non-profit criminal and juvenile defense corporations designated by the commissioner of administration by July 1 of each year. The commissioner of administration shall give notice 30 days in advance and conduct a hearing if he has reasonable grounds to believe funds appropriated by this act are being improperly used, or, if in consultation with the attorney general, he has reasonable cause to believe criminal and juvenile defense of proper quality is not being supplied. Funds shall cease from the date of notice until either the commissioner determines that the funds appropriated by this act will be properly handled, or the commissioner, in consultation with the attorney general, determines that criminal and juvenile defense of proper quality will be provided. A participating corporation may give notice at any time of its withdrawal from this program of financial assistance."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1874: A bill for an act relating to mortgages; legalizing certain foreclosure sales heretofore made and the records of all mortgage foreclosure proceedings.

Reports the same back with the recommendation that the bill be amended as follows:

Page 8, line 2, strike "heretofore" and insert "prior to the date specified in subdivision 2 of section 3"

Page 8, line 27, strike "August 1, 1976" and insert "the day after final enactment of this act"

Page 8, line 29, after "(5)," strike "August 1, 1976" and insert "the day after final enactment of this act"

Page 8, line 30, after "(8)," strike "August 1, 1976" and insert "the day after final enactment of this act"

Page 8, line 31, after "(a)," strike "August 1, 1976" and insert "the day after final enactment of this act"

Page 8, after line 31, insert:

"Subd. 2. The date of the report of sale to which section 2 applies is the day after final enactment of this act."

Renumber the subdivisions in sequence

Page 9, after line 4, insert:

"Sec. 4. This act is effective the day following its final enactment."

Amend the title as follows:

Page 1, line 3, strike "foreclosure" and insert "foreclosure"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1920: A bill for an act relating to juvenile courts; requiring written findings of fact for all dispositions of delinquent, dependent, and neglected children; amending Minnesota Statutes 1974, Sections 260.185, Subdivision 1; and 260.191, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 19, strike "*This act is effective the day following final*"

Page 4, strike line 20 and insert

"[EFFECTIVE DATE.] "*This act takes effect on August 1, 1976.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2208: A bill for an act relating to courts; providing for continuous district court terms in all counties; providing that retired district court judges be reimbursed for expenses incurred while acting as district judges; authorizing additional power to judges of county court; requiring certain distributions of Minnesota Statutes and Session Laws; amending Minnesota Statutes 1974, Sections 484.08; 484.09, as amended; 484.11; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.62; 648.39, Subdivision 1; and Chapter 487, by adding a section; repealing Minnesota Statutes 1974, Section 490.025, Subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 15, insert:

"Section 1. Minnesota Statutes 1974, Section 260.021, Subdivision 2, is amended to read:

Subd. 2. [JUVENILE COURT; HENNEPIN AND RAMSEY COUNTIES.] In *Hennepin and Ramsey county counties* the judges of the district court shall, at such times as they shall determine, designate one of their number to hear all cases arising under sections 260.011 to 260.301. This designation is for a period of ~~one year two years unless otherwise ordered~~. *No individual judge shall be so designated for consecutive periods* If the designated judge is absent or disabled, another judge shall be temporarily assigned for these purposes. The judge designated as the judge of juvenile court shall devote his first service and all necessary time

to the business of the juvenile court, and this work has precedence over all his other court work. When considered advisable, the district court judges may designate two or more judges for the purposes and subject to the provisions specified in this section. A special court room, designated as the juvenile court room, shall be provided for the hearing of these cases. The court, for convenience, may be called the juvenile court of the county."

Page 15, line 23, strike "*Each judge of a*" and insert:

*"The chief justice of the supreme court may temporarily assign a county court judge to hear a matter within the jurisdiction of the district court; the county court judge, so assigned, shall assume the powers of a district court judge for the duration of the assignment. The chief judge of district court in a judicial district may temporarily assign a county court judge in his district to hear a matter within the jurisdiction of the district court; the county court judge so assigned shall assume the powers of a district court judge for the duration of the assignment. Provided that no county court judge shall be assigned without his consent."*

Page 15, strike lines 24 to 32

Page 16, strike lines 1 to 2

Page 17, line 5, strike "*Section*" and insert "*Sections 260.021, Subdivision 3, and*"

Page 17, line 6, strike "*is*" and insert "*are*"

Page 17, after line 6, insert:

*"Sec. 14. [EFFECTIVE DATE.] This act is effective the day following its final enactment."*

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 2, after "*courts;*" insert "*changing the status of the Hennepin county juvenile court judge;*"

Page 1, line 9, after "*Sections*" insert "*260.021, Subdivision 2;*"

Page 1, line 14, strike "*Section*" and insert "*Sections 260.021, Subdivision 3; and*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2344: A bill for an act relating to motor vehicles; authorizing the issuance of temporary vehicle permits for certain specified purposes; amending Minnesota Statutes 1974, Sections 168.091, Subdivision 1; and 168.092, Subdivision 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 252: A bill for an act relating to the legislature; providing for part of the apportionment of representative districts 19A and 19B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, after "19B." insert:

"Sec. 2. All of the city of Ramsey is included in representative district 19A.

Sec. 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1786: A bill for an act relating to elections; providing for the maintenance of permanent registration systems in all counties; amending Minnesota Statutes 1974, Section 201.021, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike "1974" and insert ", 1975 Supplement"

Page 1, line 8, strike "as amended by Laws 1975, Chapter 204, Section 94,"

Further, amend the title as follows:

Page 1, line 4, strike "1974" and insert ", 1975 Supplement"

Page 1, line 5, strike ", as amended"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 1957, 2216, and 116 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

CALENDAR OF					
GENERAL ORDERS		ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1957	2027				
2216	2432				
116	1313				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1957 be amended as follows:

Page 1, line 11, before "to" insert "by law"

Page 1, line 12, delete "any" and insert ", that"

And when so amended, H. F. No. 1957 will be identical to S. F. No. 2027 and further recommends that H. F. No. 1957 be given its second reading and substituted for S. F. No. 2027 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 116 be amended as follows:

Page 1, line 16, delete the comma

Page 1, delete line 17 and insert “; referral to”

Page 2, line 5, delete “Annually,” and after “shall” insert “annually”

Page 2, line 10, after “funds” insert “appropriated or granted to the board”

Page 2, line 14, delete “The board shall not”

Page 2, delete lines 15 to 24

Page 2, line 27, delete “, that” and insert “which”

Page 3, line 10, after “entity” insert a comma

Page 3, line 11, delete “the”

Page 3, line 12, delete “such”

Page 3, line 15, delete “through” and insert “by rules and”

Page 3, line 16, before “department” insert “U. S.”

Page 3, line 19, delete “and make recommendations”

Page 3, delete lines 20 and 21 and insert a period

Page 3, delete lines 23 and 24 and insert “regulations necessary to implement the provisions of this act.”

Renumber the subdivisions in order

Page 3, line 25, delete “department” and insert “commissioner”

Page 3, line 27, delete “county” and insert “local” and delete “departments” and insert “agencies”

Page 4, line 4, delete “the” and insert “an”

Page 4, lines 10 and 11, delete “to the extent that” and insert “if”

Page 4, lines 26, before “board” insert “state”

Page 4, delete lines 27 and 28 and insert “1975, and ending January 1, 1977. Funds available shall not cancel”

Page 4, line 29, delete “available”

And when so amended, H. F. No. 116 will be identical to S. F. No. 1313 and further recommends that H. F. No. 116 be given its second reading and substituted for S. F. No. 1313 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2216 be amended as follows:

Page 2, delete lines 17 to 19

Page 2, delete line 32

Page 3, delete lines 1 to 16

Renumber the remaining subdivisions in order

And when so amended, H. F. No. 2216 will be identical to S. F. No. 2432 and further recommends that H. F. No. 2216 be given its second reading and substituted for S. F. No. 2432 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 1912 for comparison to companion Senate File, reports the following House File was found identical and recommends the House File be given its Second Reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1912	1861				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 2152, 1191, 1957, 60, 975, 1812, 2284, 1874, 1920, 2208, 2344, 252 and 1786 were read the second time.

#### SECOND READING OF HOUSE BILLS

H. F. Nos. 1957, 2216, 116 and 1912 were read the second time.

#### MOTIONS AND RESOLUTIONS

Mr. Laufenburger moved that S. F. No. 2421 be withdrawn from the Committee on Transportation and General Legislation and re-referred to the Committee on Metropolitan and Urban Affairs. The motion prevailed.

Mr. Chmielewski moved that the names of Messrs. Laufenburger and Larson be added as co-authors to S. F. No. 2322. The motion prevailed.

Mr. Ogdahl moved that S. F. No. 2023, No. 29 on General Orders, be stricken and re-referred to the Committee on Transportation and General Legislation. The motion prevailed.

Mr. Ogdahl moved that S. F. No. 2024, No. 30 on General Orders, be stricken and re-referred to the Committee on Transportation and General Legislation. The motion prevailed.

Mr. Coleman moved that S. F. No. 2486 be withdrawn from the Committee on Transportation and General Legislation and re-

referred to the Committee on Metropolitan and Urban Affairs. The motion prevailed.

Mr. Conzemius, for Mr. Anderson moved that S. F. No. 2028 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Judiciary. The motion prevailed.

### THIRD READING OF SENATE BILLS

S. F. No. 1876: A bill for an act relating to the operation of state government; correcting the nomenclature of or restructuring several boards and committees; limiting the use of advisory groups; standardizing the terms, compensation and removal of members of committees; abolishing or transferring the functions of several state agencies including the public relief advisory committee, the Minnesota-South Dakota boundary waters commission, the motor vehicle reciprocity commission, the Big Island veterans camp board of directors, the publications advisory board, the Indian education committee, the advisory committee for mentally retarded and cerebral palsied community residential facilities, and the state teletypewriter advisory committee; amending Minnesota Statutes 1974, Sections 3.30, by adding a subdivision; 16.71, Subdivision 1; 17.52; 17.53, Subdivision 5; 17.54, Subdivision 2; 21A.02, Subdivision 5; 21A.03; 29.14, Subdivision 4; 30.463, Subdivision 2; 32B.03, Subdivision 4; 84.01, Subdivision 5; 114.12; 116E.02, Subdivision 1; 116E.03, Subdivision 7, and by adding a subdivision; 121.83; 136A.02, Subdivision 5; 141.24; 168.187, Subdivisions 7, 8, 9, 11, 12, 15, 18, 24 and 25; 178.02, Subdivision 2; 197.13; 197.15; 197.16; 252.28, Subdivision 2; 256.01, Subdivision 6; 326.41; 326.49; 481.01; Chapters 15, 60C, 114, and 252 by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 15.01; 15.012; 15.059, Subdivisions 3 and 4; 84B.11, Subdivision 1; 86A.10, Subdivision 1; 115.71, Subdivision 4; 115.74; 125.183, Subdivision 1; 148.231, Subdivision 2; 149.02; 151.03; 155.05; 198.055, Subdivisions 1 and 2; 326.241, Subdivision 1; 326.33, Subdivision 1; Extra Session Laws 1971, Chapter 31, Article 13, as amended; Laws 1975, Chapter 271, Section 3; repealing Minnesota Statutes 1974, Sections 15.046, as amended; 17.60; 17.601; 21A.04; 32B.04, Subdivision 2; 72B.09; 114.01 to 114.08; 126.023; 168.187, Subdivision 6; 178.02, Subdivision 3; 197.14; 252.29; 362.16; Minnesota Statutes, 1975 Supplement, Sections 86A.10, Subdivisions 3, 4 and 5; 241.023; and 299C.47.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Borden	Davies	Hansen, Mel	Keefe, S.
Arnold	Brown	Doty	Hanson, R.	Kirchner
Bang	Chenoweth	Dunn	Hughes	Kleinbaum
Berg	Chmielewski	Frederick	Humphrey	Kowalczyk
Bernhagen	Coleman	Gearty	Jensen	Larson
Blatz	Conzemius	Hansen, Baldy	Keefe, J.	Laufenburger

Lewis	North	Patton	Schaaf	Tennesen
McCutcheon	Ogdahl	Perpich, A. J.	Schmitz	Ueland
Merriam	Olhoft	Perpich, G.	Solon	Wegener
Milton	Olson, A. G.	Pillsbury	Spear	Willet
Moe	Olson, J. L.	Purfeerst	Stokowski	
Nelson	O'Neill	Renneke	Stumpf	

So the bill passed and its title was agreed to.

S. F. No. 2161: A bill for an act relating to intoxicating liquor; authorizing temporary short term on-sale licenses for certain charitable festivals.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 54 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	North	Schmitz
Arnold	Dunn	Kleinbaum	Ogdahl	Sillers
Bang	Frederick	Kowalczyk	Olson, A. G.	Solon
Bernhagen	Gearty	Larson	Olson, H. D.	Spear
Blatz	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Borden	Hansen, Mel	Lewis	Patton	Stumpf
Brown	Hanson, R.	McCutcheon	Perpich, A. J.	Tennesen
Chenoweth	Hughes	Merriam	Perpich, G.	Ueland
Chmielewski	Humphrey	Milton	Pillsbury	Wegener
Coleman	Jensen	Moe	Purfeerst	Willet
Conzemius	Keefe, J.	Nelson	Schaaf	

Those who voted in the negative were:

Doty	Kirchner	Olhoft	Olson, J. L.	Renneke
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So the bill passed and its title was agreed to.

S. F. No. 1996: A bill for an act relating to counties; authorizing county boards to furnish board and certain other services to prisoners in county jails; amending Minnesota Statutes, 1975 Supplement, Section 387.20, Subdivision 6.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	North	Renneke
Arnold	Doty	Kirchner	Ogdahl	Schaaf
Bang	Dunn	Kleinbaum	Olhoft	Schmitz
Berg	Frederick	Kowalczyk	Olson, A. G.	Sillers
Bernhagen	Gearty	Larson	Olson, H. D.	Solon
Blatz	Hansen, Baldy	Laufenburger	Olson, J. L.	Spear
Borden	Hansen, Mel	Lewis	O'Neill	Stokowski
Brown	Hanson, R.	McCutcheon	Patton	Stumpf
Chenoweth	Hughes	Merriam	Perpich, A. J.	Tennesen
Chmielewski	Humphrey	Milton	Perpich, G.	Ueland
Coleman	Jensen	Moe	Pillsbury	Wegener
Conzemius	Keefe, J.	Nelson	Purfeerst	Willet

So the bill passed and its title was agreed to.

S. F. No. 1388: A bill for an act relating to public health; requiring school nurses to take throat cultures and test for infection; amending Minnesota Statutes 1974, Section 145.085, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 53 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, S.	Ogdahl	Schrom
Arnold	Davies	Kirchner	Olhoft	Sillers
Bang	Doty	Kleinbaum	Olson, H. D.	Solon
Berg	Dunn	Kowalczyk	Olson, J. L.	Spear
Bernhagen	Frederick	Larson	O'Neill	Stokowski
Blatz	Gearty	Lewis	Perpich, A. J.	Stumpf
Borden	Hansen, Mel	McCutcheon	Perpich, G.	Tennessee
Brown	Hanson, R.	Merriam	Pillsbury	Ueland
Chenoweth	Hughes	Milton	Purfeerst	Wegener
Chmielewski	Humphrey	Nelson	Schaaf	
Coleman	Keefe, J.	North	Schmitz	

Those who voted in the negative were:

Hansen, Baldy	Laufenburger	Moe	Renneke	Willet
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So the bill passed and its title was agreed to.

S. F. No. 2077: A bill for an act relating to Blue Earth county; authorizing the county of Blue Earth to contract for the completion of the improvement of county ditch No. 27; setting limits for the expenditure of money for the improvement thereof; providing for the financing thereof; amending Laws 1975, Chapter 249, Section 1, Subdivision 1; and Section 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Schrom
Arnold	Dunn	Knutson	Olson, A. G.	Sillers
Bang	Frederick	Kowalczyk	Olson, H. D.	Solon
Berg	Gearty	Larson	Olson, J. L.	Spear
Bernhagen	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Blatz	Hansen, Mel	Lewis	Patton	Stokowski
Borden	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Brown	Hughes	Merriam	Perpich, G.	Tennessee
Chenoweth	Humphrey	Milton	Pillsbury	Ueland
Chmielewski	Jensen	Moe	Purfeerst	Wegener
Coleman	Keefe, J.	Nelson	Renneke	Willet
Conzemius	Keefe, S.	North	Schaaf	
Davies	Kirchner	Ogdahl	Schmitz	

So the bill passed and its title was agreed to.

S. F. No. 1262: A bill for an act relating to tax forfeited lands; authorizing the county auditor to grant easements or permits thereon for recreational trails; amending Minnesota Statutes 1974, Section 282.04, Subdivision 4.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Schrom
Arnold	Dunn	Knutson	Olson, A. G.	Sillers
Bang	Frederick	Kowalczyk	Olson, H. D.	Solon
Berg	Gearty	Larson	Olson, J. L.	Spear
Bernhagen	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Blatz	Hansen, Mel	Lewis	Patton	Stokowski
Borden	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Brown	Hughes	Merriam	Perpich, G.	Ueland
Chenoweth	Humphrey	Milton	Pillsbury	Wegener
Chmielewski	Jensen	Moe	Purfeerst	Willet
Coleman	Keefe, J.	Nelson	Renneke	
Conzemius	Keefe, S.	North	Schaaf	
Davies	Kirchner	Ogdahl	Schmitz	

So the bill passed and its title was agreed to.

S. F. No. 1976: A bill for an act relating to workmen's compensation; providing for third party liability; amending Minnesota Statutes 1974, Section 176.061, Subdivision 3; repealing Minnesota Statutes 1974, Section 176.061, Subdivision 10.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Schrom
Arnold	Dunn	Knutson	Olson, A. G.	Sillers
Bang	Frederick	Kowalczyk	Olson, H. D.	Solon
Berg	Gearty	Larson	Olson, J. L.	Spear
Bernhagen	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Blatz	Hansen, Mel	Lewis	Patton	Stokowski
Borden	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Brown	Hughes	Merriam	Perpich, G.	Tennessee
Chenoweth	Humphrey	Milton	Pillsbury	Ueland
Chmielewski	Jensen	Moe	Purfeerst	Wegener
Coleman	Keefe, J.	Nelson	Renneke	Willet
Conzemius	Keefe, S.	North	Schaaf	
Davies	Kirchner	Ogdahl	Schmitz	

So the bill passed and its title was agreed to.

S. F. No. 1997: A bill for an act relating to taxation; credits on tax on fermented malt beverages; amending Minnesota Statutes 1974, Section 340.47, Subdivisions 2 and 2a.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Nelson	Schrom
Arnold	Doty	Kirchner	North	Sillers
Bang	Dunn	Kleinbaum	Ogdahl	Solon
Berg	Frederick	Knutson	Olson, H. D.	Spear
Bernhagen	Gearty	Kowalczyk	O'Neill	Stassen
Blatz	Hansen, Baldy	Larson	Patton	Stokowski
Borden	Hansen, Mel	Laufenburger	Perpich, A. J.	Stumpf
Brataas	Hanson, R.	Lewis	Perpich, G.	Tennessee
Brown	Hughes	McCutcheon	Pillsbury	Ueland
Chenoweth	Humphrey	Merriam	Purfeerst	Wegener
Chmielewski	Jensen	Milton	Schaaf	Willet
Conzemius	Keefe, J.	Moe	Schmitz	

Those who voted in the negative were:

Coleman	Olhoff	Olson, A. G.	Olson, J. L.	Renneke
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So the bill passed and its title was agreed to.

S. F. No. 1880: A bill for an act relating to health; providing that hospitals do not require additional licenses for certain day care facilities; amending Minnesota Statutes 1974, Section 245.79.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	Ogdahl	Schmitz
Arnold	Doty	Kleinbaum	Olhoff	Schrom
Bang	Dunn	Knutson	Olson, A. G.	Sillers
Berg	Frederick	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Gearty	Larson	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Borden	Hansen, Mel	Lewis	Patton	Stokowski
Brataas	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Brown	Hughes	Merriam	Perpich, G.	Tennessee
Chenoweth	Humphrey	Milton	Pillsbury	Ueland
Chmielewski	Jensen	Moe	Purfeerst	Wegener
Coleman	Keefe, J.	Nelson	Renneke	Willet
Conzemius	Keefe, S.	North	Schaaf	

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 2011: A bill for an act relating to state lands; authorizing the conveyance of certain state lands in Goodhue county to the city of Red Wing.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Knutson	Olson, A. G.	Sillers
Arnold	Dunn	Kowalczyk	Olson, H. D.	Solon
Bang	Frederick	Larson	Olson, J. L.	Spear
Berg	Gearty	Laufenburger	O'Neill	Stassen
Bernhagen	Hansen, Baldy	Lewis	Patton	Stokowski
Blatz	Hansen, Mel	McCutcheon	Perpich, A. J.	Stumpf
Borden	Hanson, R.	Merriam	Perpich, G.	Tennessee
Brataas	Humphrey	Milton	Pillsbury	Ueland
Brown	Jensen	Moe	Purfeerst	Wegener
Chenoweth	Keefe, J.	Nelson	Renneke	Willet
Chmielewski	Keefe, S.	North	Schaaf	
Conzemius	Kirchner	Ogdahl	Schmitz	
Davies	Kleinbaum	Olhoff	Schrom	

So the bill passed and its title was agreed to.

H. F. No. 59: A bill for an act relating to towns; authorizing towns to request the taking of a census by the secretary of state; amending Minnesota Statutes 1974, Chapter 365, by adding a section.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	North	Renneke
Arnold	Doty	Kirchner	Ogdahl	Schaaf
Bang	Dunn	Kleinbaum	Olhoff	Schmitz
Berg	Frederick	Knutson	Olson, A. G.	Schrom
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	Sillers
Blatz	Hansen, Baldy	Larson	Olson, J. L.	Solon
Borden	Hansen, Mel	Laufenburger	O'Neill	Spear
Brataas	Hanson, R.	McCutcheon	Patton	Stassen
Brown	Hughes	Merriam	Perpich, A. J.	Stokowski
Chenoweth	Humphrey	Milton	Perpich, G.	Tennessee
Chmielewski	Jensen	Moe	Pillsbury	Ueland
Conzemius	Keefe, J.	Nelson	Purfeerst	Willet

Messrs. Lewis and Stumpf voted in the negative.

So the bill passed and its title was agreed to.

#### CALENDAR OF ORDINARY MATTERS

S. F. No. 2070: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	Olson, A. G.	Sillers
Arnold	Doty	Kleinbaum	Olson, H. D.	Solon
Bang	Dunn	Knutson	Olson, J. L.	Spear
Berg	Frederick	Kowalczyk	O'Neill	Stassen
Bernhagen	Gearty	Larson	Patton	Stokowski
Blatz	Hansen, Baldy	Lewis	Perpich, A. J.	Stumpf
Borden	Hansen, Mel	Merriam	Perpich, G.	Tennessee
Brataas	Hanson, R.	Milton	Pillsbury	Ueland
Brown	Hughes	Moe	Purfeerst	Wegener
Chenoweth	Humphrey	Nelson	Renneke	Willet
Chmielewski	Jensen	North	Schaaf	
Coleman	Keefe, J.	Ogdahl	Schmitz	
Conzemius	Keefe, S.	Olhoft	Schrom	

So the bill passed and its title was agreed to.

S. F. No. 2318: A bill for an act relating to highways; providing for the construction and maintenance of acoustical barriers along the perimeter of certain trunk highways; amending Minnesota Statutes, 1975 Supplement, Section 161.125.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 49 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Ogdahl	Schmitz
Arnold	Doty	Knutson	Olhoft	Sillers
Bang	Dunn	Larson	Olson, A. G.	Solon
Blatz	Gearty	Laufenburger	Olson, H. D.	Spear
Borden	Hansen, Mel	Lewis	O'Neill	Stassen
Brataas	Hanson, R.	McCutcheon	Perpich, A. J.	Stokowski
Brown	Hughes	Merriam	Perpich, G.	Stumpf
Chenoweth	Humphrey	Moe	Pillsbury	Tennessee
Coleman	Keefe, S.	Nelson	Purfeerst	Wegener
Conzemius	Kirchner	North	Schaaf	

Those who voted in the negative were:

Berg	Frederick	Olson, J. L.	Renneke	Ueland
Bernhagen	Hansen, Baldy	Patton	Schrom	Willet
Chmielewski	Jensen			

So the bill passed and its title was agreed to.

S. F. No. 1967: A bill for an act relating to trusts; administration of express trusts by cities; amending Minnesota Statutes 1974, Section 501.11.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Bernhagen	Brown	Conzemius	Gearty
Arnold	Blatz	Chenoweth	Davies	Hansen, Baldy
Bang	Borden	Chmielewski	Doty	Hansen, Mel
Berg	Brataas	Coleman	Dunn	Hanson, R.

Hughes	Kowalczyk	North	Perpich, G.	Spear
Humphrey	Larson	Ogdahl	Pillsbury	Stassen
Jensen	Laufenburger	Olhoff	Purfeerst	Stokowski
Josefson	Lewis	Olson, A. G.	Renneke	Stumpf
Keefe, J.	McCutcheon	Olson, H. D.	Schaaf	Tennessee
Keefe, S.	Merriam	Olson, J. L.	Schmitz	Ueland
Kirchner	Milton	O'Neill	Schrom	Wegener
Kleinbaum	Moe	Patton	Sillers	Willet
Knutson	Nelson	Perpich, A. J.	Solon	

So the bill passed and its title was agreed to.

H. F. No. 2105: A bill for an act relating to county agricultural societies; authorizing the renewal of the period of corporate existence of certain agricultural societies whose period of duration has expired; validating acts done and contracts made subsequent to the expiration of the corporate existence.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Ogdahl	Schmitz
Arnold	Doty	Kirchner	Olhoff	Schrom
Bang	Dunn	Kleinbaum	Olson, A. G.	Sillers
Berg	Frederick	Knutson	Olson, H. D.	Solon
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Stassen
Blatz	Hansen, Baldy	Larson	O'Neill	Stokowski
Borden	Hansen, Mel	Lewis	Patton	Stumpf
Brataas	Hanson, R.	McCutcheon	Perpich, A. J.	Tennessee
Brown	Hughes	Merriam	Perpich, G.	Ueland
Chenoweth	Humphrey	Milton	Pillsbury	Wegener
Chmielewski	Jensen	Moe	Purfeerst	Willet
Coleman	Josefson	Nelson	Renneke	
Conzemius	Keefe, J.	North	Schaaf	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Arnold in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Arnold reported that the committee had considered the following:

S. F. Nos. 2108 and 2011 which the committee recommends to pass.

H. F. No. 109 which the committee reports progress, subject to the following motion:

Mr. Milton moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 37, line 6, after the period insert "*Notwithstanding the foregoing, the terms of the commissioner of health shall expire on the day following the effective date of this act.*"

The motion prevailed. So the amendment was adopted.

H. F. No. 1099 which the committee recommends to pass, after the following motion:

Mr. Kowalczyk moved to amend H. F. No. 1099 as follows:

Page 3, after line 4, insert:

"Sec. 2. Minnesota Statutes 1974, Section 273.063, is amended to read:

273.063 [APPLICATION; LIMITATIONS.] The provisions of Extra Session Laws 1967, Chapter 32, Article 8, shall apply to all counties except Ramsey county. The following limitations shall apply as to the extent of the county assessors jurisdiction:

In counties *other than Hennepin* having a city of the first class, the powers and duties of the county assessor within such city shall be performed by the duly appointed city assessor. In all other cities having a population of 30,000 persons or more, according to the last preceding federal census, except in counties having a county assessor on January 1, 1967, the powers and duties of the county assessor within such cities shall be performed by the duly appointed city assessor, provided that the county assessor shall retain the supervisory duties contained in section 273.061, subdivision 8."

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "assessing procedures;"

Page 1, line 3, after "amending" insert "Minnesota Statutes 1974, Section 273.063; and"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 29 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Brown	Jensen	Larson	Patton
Bang	Conzemius	Josefson	Lewis	Pillsbury
Berg	Dunn	Keefe, J.	Milton	Renneke
Bernhagen	Frederick	Kirchner	Nelson	Stassen
Blatz	Hanson, R.	Knutson	Olson, J. L.	Ueland
Brataas	Humphrey	Kowalczyk	O'Neill	

Those who voted in the negative were:

Arnold	Hansen, Baldy	Merriam	Perpich, A. J.	Stokowski
Borden	Hansen, Mel	Moe	Perpich, G.	Stumpf
Chenoweth	Hughes	North	Purfeerst	Tennessen
Coleman	Keefe, S.	Ogdahl	Schrom	Wegener
Davies	Kleinbaum	Olhoff	Sillers	Willet
Doty	Laufenburger	Olson, A. G.	Solon	
Gearty	McCutcheon	Olson, H. D.	Spear	

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

The question being taken on the committee recommendation to pass H. F. No. 1099,

And the roll being called, there were yeas 40 and nays 22, as follows:

Those who voted in the affirmative were:

Arnold	Hansen, Mel	Merriam	O'Neill	Solon
Brataas	Hughes	Milton	Patton	Spear
Chenoweth	Jensen	Moe	Perpich, A. J.	Stassen
Coleman	Keefe, S.	North	Perpich, G.	Stokowski
Conzemius	Kleinbaum	Ogdahl	Purfeerst	Stumpf
Davies	Larson	Olhoft	Renneke	Tennessee
Doty	Laufenburger	Olson, A. G.	Schmitz	Wegener
Gearty	McCutcheon	Olson, H. D.	Sillers	Willet

Those who voted in the negative were:

Anderson	Brown	Humphrey	Kowalczyk	Schrom
Bang	Dunn	Josefson	Lewis	Ueland
Berg	Frederick	Keefe, J.	Nelson	
Bernhagen	Hansen, Baldy	Kirchner	Olson, J. L.	
Blatz	Hanson, R.	Knutson	Pillsbury	

The motion prevailed. So the committee recommended H. F. No. 1099 to pass.

S. F. No. 354, which the committee recommends to pass.

The question being taken on the committee recommendation to pass S. F. No. 354,

And the roll being called, there were yeas 51 and nays 6, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Keefe, S.	North	Schmitz
Bang	Doty	Kirchner	Ogdahl	Solon
Berg	Dunn	Kowalczyk	Olhoft	Spear
Bernhagen	Frederick	Larson	Olson, A. G.	Stassen
Borden	Gearty	Laufenburger	Olson, J. L.	Stokowski
Brataas	Hansen, Mel	Lewis	Patton	Stumpf
Brown	Hanson, R.	McCutcheon	Perpich, G.	Wegener
Chenoweth	Hughes	Merriam	Pillsbury	
Chmielewski	Humphrey	Milton	Purfeerst	
Coleman	Jensen	Moe	Renneke	
Conzemius	Keefe, J.	Nelson	Schaaf	

Those who voted in the negative were:

Blatz	Josefson	Knutson	O'Neill	Ueland
Hansen, Baldy				

The motion prevailed. So the committee recommended S. F. No. 354 to pass.

S. F. No. 634, which the committee recommends to pass with the following amendments offered by Messrs. McCutcheon and Nelson:

Mr. McCutcheon moved to amend S. F. No. 634 as follows:

Page 5, line 8, after "*felony*" and before the period insert "*and confined in a state correctional institution*"

Page 5, line 31, strike "*but the program may not include rehabilitative or*"

Page 5, strike line 32

Page 6, after line 23, insert:

"Sec. 6. [OTHER PROGRAMS.] *The commissioner shall provide programs with rehabilitative or therapeutic objectives for those inmates who desire to voluntarily participate. These programs shall include, but not be limited to, programs in the areas of chemical dependency and alcoholism.*"

Page 6, line 26, strike "*relating to inmate conduct,*"

Page 7, strike lines 15 to 17

Page 8, line 10, strike "*penal*" and insert "*correctional*"

Page 10, line 5, strike "*trial*" and insert "*district*"

Page 10, line 18, strike "*the merits of*"

Page 10, line 20, strike "*criteria or*"

Renumber the sections in sequence

Mr. Nelson moved to amend S. F. No. 634 as follows:

Page 12, line 2, after "*609.342,*" insert "*or upon the conviction for a felony violation other than a violation punishable under section 609.205, during which the offender used a firearm,*"

Mr. Schaaf moved to amend S. F. No. 634 as follows:

Page 11, line 31, after "*person.*" insert "*Provided, however, that upon the conviction for a crime punishable as a felony, the court in all cases shall order the offender incarcerated for a period of not less than 72 hours under such custody as the court may order.*"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 14 and nays 32, as follows:

Those who voted in the affirmative were:

Berg	Doty	Josefson	Olhoft	Schaaf
Bernhagen	Hansen, Mel	Keefe, S.	Olson, J. L.	Sillers
Chmielewski	Jensen	Merriam	Renneke	

Those who voted in the negative were:

Anderson	Dunn	Keefe, J.	Moe	Stassen
Arnold	Frederick	Knutson	North	Stumpf
Bang	Gearty	Kowalczyk	Pillsbury	Ueland
Blatz	Hansen, Baldy	Laufenburger	Purfeerst	Willet
Brown	Hanson, R.	Lewis	Schmitz	
Coleman	Hughes	McCutcheon	Schrom	
Conzemius	Humphrey	Milton	Spear	

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

And then, on motion of Mr. Arnold, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, March 11, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**EIGHTY-FIFTH DAY**

St. Paul, Minnesota, Tuesday, March 9, 1976

The House of Representatives met on Tuesday, March 9, 1976, which was the Eighty-Fifth Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.

**EIGHTY-SIXTH DAY**

**St. Paul, Minnesota, Wednesday, March 10, 1976**

The House of Representatives met on Wednesday, March 10, 1976, which was the Eighty-Sixth Legislative Day of the Sixty-Ninth Session of the Minnesota State Legislature. The Senate did not meet on this date.

## EIGHTY-SEVENTH DAY

St. Paul, Minnesota, Thursday, March 11, 1976

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rabbi Harold Schechter.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, S.	Olhoff	Sillers
Arnold	Doty	Kirchner	Olson, A. G.	Solon
Ashbach	Dunn	Kleinbaum	Olson, H. D.	Spear
Bang	Fitzsimons	Knutson	Olson, J. L.	Stassen
Berg	Frederick	Kowalczyk	O'Neill	Stokowski
Bernhagen	Gearty	Larson	Patton	Stumpf
Blatz	Hansen, Baldy	Laufenburger	Perpich, A. J.	Tennessee
Borden	Hansen, Mel	Lewis	Perpich, G.	Ueland
Brataas	Hanson, R.	McCutcheon	Pillsbury	Wegener
Brown	Hughes	Milton	Purfeerst	Willet
Chenoweth	Humphrey	Moe	Renneke	
Chmielewski	Jensen	Nelson	Schaaf	
Coleman	Josefson	North	Schmitz	
Conzemius	Keefe, J.	Ogdahl	Schrom	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Anderson	Dunn	Kleinbaum	O'Neill	Solon
Arnold	Fitzsimons	Kowalczyk	Patton	Spear
Bang	Frederick	Larson	Perpich, A. J.	Stassen
Berg	Gearty	Laufenburger	Perpich, G.	Stokowski
Blatz	Hansen, Baldy	Lewis	Pillsbury	Stumpf
Borden	Hansen, Mel	Milton	Purfeerst	Tennessee
Brown	Hanson, R.	Moe	Renneke	Ueland
Chmielewski	Hughes	Ogdahl	Schaaf	Wegener
Coleman	Josefson	Olhoff	Schmitz	Willet
Davies	Keefe, S.	Olson, A. G.	Schrom	
Doty	Kirchner	Olson, J. L.	Sillers	

The Sergeant-at-Arms was instructed to bring in the absent members.

**MEMBERS EXCUSED**

Mr. Merriam was excused from the Session of today. Messrs. Anderson, Fitzsimons and Hansen, Mel were excused from this evening's Session. Mr. Bang was excused from the Session of today at 3:00 o'clock p.m. Mr. Lewis was excused from this evening's Session at 6:00 o'clock p.m. Mr. Berg was excused from this evening's Session at 7:30 o'clock p.m. Mr. Keefe, J. was excused from this evening's Session at 8:00 o'clock p.m. Mr. Spear was excused from the early part of this evening's Session until 8:15 o'clock p.m.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

March 8, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
869		28	March 5	March 5
1551		29	March 5	March 5
	369	30	March 5	March 5
	717	31	March 5	March 5
	719	32	March 5	March 5
	933	33	March 5	March 5
	951	34	March 5	March 5
	1104	35	March 5	March 5
	1191	36	March 5	March 5

Sincerely,

Joan Anderson Growe  
Secretary of State

March 9, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
570		37	March 8	March 8
1816		38	March 8	March 8
	1527	39	March 8	March 8
	1995	40	March 8	March 8
	2170	41	March 8	March 8

Sincerely,

Joan Anderson Growe  
Secretary of State

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Solon; Perpich, G. and Doty introduced—

S. F. No. 2512: A bill for an act relating to St. Louis county; limiting the property tax levy.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kirchner and Nelson introduced—

S. F. No. 2513: A bill for an act relating to licensing of electricians; fees for license and license renewal; amending Minnesota Statutes 1974, Section 326.242, Subdivision 8.

Referred to the Committee on Labor and Commerce.

Messrs. Olhoft, Milton and Laufenburger introduced—

S. F. No. 2514: A bill for an act relating to taxation; providing for a refund of certain amounts of taxes paid for the 1975 taxable year; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stokowski and Schaaf, by request, introduced—

S. F. No. 2515: A bill for an act relating to the city of Columbia Heights; providing for the appointment of certain public safety personnel in the city.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Hughes, Knutson and Milton introduced—

S. F. No. 2516: A bill for an act relating to physicians; requiring continuing medical education; providing for reporting of credit hours, granting of extensions, and discipline; defining terms.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Stumpf and Hughes introduced—

S. F. No. 2517: A bill for an act relating to Ramsey county; increasing to five the number of members of the Ramsey county civil service commission.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Stumpf introduced—

S. F. No. 2518: A bill for an act relating to public employment labor relations; providing for the determination of the fair share payment; amending Minnesota Statutes 1974, Section 179.65, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Mr. Milton introduced—

S. F. No. 2519: A bill for an act relating to Ramsey county; providing that the county assessor, the county highway engineer and the veterans service officer serve at the pleasure of the board of county commissioners.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. O'Neill introduced—

S. F. No. 2520: A bill for an act relating to automobile insurance; changing priority of certain benefits; requiring certain premium reductions; providing income loss coverage to disabled unemployment compensation recipients; amending Minnesota Statutes 1974, Sections 65B.44, Subdivision 3; 65B.61; and 65B.70, by adding a subdivision.

Referred to the Committee on Labor and Commerce.

Messrs. Berg, Brown and O'Neill introduced—

S. F. No. 2521: A bill for an act relating to taxation; providing that amounts paid as social security taxes be excluded from gross income for purposes of income tax calculations; amending Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Mr. Spear introduced—

S. F. No. 2522: A bill for an act relating to public records; regulating the administration of the state archives and state and local public records; providing a penalty; amending Minnesota Statutes 1974, Sections 138.161; 138.162; 138.17, Subdivisions 1, 6, and 7; 138.18, 138.19; 138.20; and 138.21; and Chapter 138, by adding sections; repealing Minnesota Statutes 1974, Section 16.66.

Referred to the Committee on Governmental Operations.

**Messrs. Keefe, S.; Spear and Tennesen introduced—**

S. F. No. 2523: A bill for an act relating to general assistance; providing that a person employed in a general assistance work program who subsequently applies for a similar position with state or municipal government will be credited with the prior work experience; amending Minnesota Statutes 1974, Section 256D.11, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

**Mr. Wegener introduced—**

S. F. No. 2524: A bill for an act relating to the city of Little Falls; firemen's service pensions.

Referred to the Committee on Governmental Operations.

**Mr. Wegener introduced—**

S. F. No. 2525: A bill for an act relating to health; exempting certain leased public health facilities from property taxation; amending Minnesota Statutes 1974, Section 447.47.

Referred to the Committee on Taxes and Tax Laws.

**Messrs. Olson, J. L.; O'Neill and Jensen introduced—**

S. F. No. 2526: A bill for an act relating to taxation; reducing corporate and individual income tax rates; providing for an investment credit; allowing deduction of federal taxes paid by corporations and benefits for hiring certain persons; permitting use of income averaging method for calculating taxable income; amending Minnesota Statutes 1974, Sections 290.06, Subdivision 1, and by adding a subdivision; 290.09, by adding a subdivision; and Chapter 290, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 290.06, Subdivision 2c; and 290.09, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

**Messrs. Keefe, J.; Keefe, S. and Berg introduced—**

S. F. No. 2527: A bill for an act relating to elections; permitting use of term "independent"; amending Minnesota Statutes, 1975 Supplement, Section 202A.11, Subdivision 2.

Referred to the Committee on Transportation and General Legislation.

**Mr. Perpich, A. J. introduced—**

S. F. No. 2528: A bill for an act relating to state government; appropriating money to the Grand Portage Reservation Business Council.

Referred to the Committee on Finance.

Mr. McCutcheon introduced—

S. F. No. 2529: A bill for an act relating to taxation; increasing the homestead base value for purposes of property taxation; amending Minnesota Statutes, 1975 Supplement, Section 273.122, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. McCutcheon introduced—

S. F. No. 2530: A bill for an act relating to taxation; providing for additional income-adjusted homestead credit relief in certain cases; amending Minnesota Statutes, 1975 Supplement, Section 290A.04, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Laufenburger introduced—

S. F. No. 2531: A bill for an act relating to local improvements; requiring the payment of interest by municipalities on money due under public improvement contracts and not paid in accordance with such contracts; amending Minnesota Statutes 1974, Chapter 429, by adding a section.

Referred to the Committee on Local Government.

Mr. Kleinbaum introduced—

S. F. No. 2532: A bill for an act relating to ambulance services; reimbursing volunteer ambulance attendants for training school expenses; appropriating money; amending Minnesota Statutes 1974, Chapter 144, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Ueland introduced—

S. F. No. 2533: A bill for an act relating to the city of Mankato; public transit; granting to the city of Mankato certain powers, duties and exemptions provided by law for transit commissions.

Referred to the Committee on Local Government.

Messrs. Olson, A. G.; Dunn and Willet introduced—

S. F. No. 2534: A bill for an act relating to appropriations; appropriating funds for seminars for local governmental officials.

Referred to the Committee on Local Government.

Messrs. Ueland and Renneke introduced—

S. F. No. 2535: A bill for an act relating to state lands; authorizing conveyance by the state of an easement for utility purposes over certain state lands in Blue Earth county.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Anderson, Fitzsimons and Arnold introduced—

S. F. No. 2536: A bill for an act relating to historic sites; establishing a state interpretive center system consisting of sites throughout the state which are of interest for their historic or environmental significance.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Solon introduced—

S. F. No. 2537: A bill for an act relating to state government; requiring a public employer who employs a member of a state board, committee, council, commission, authority or task force to be reimbursed for expenses incurred in releasing the employee for such service; amending Minnesota Statutes 1974, Chapter 15, by adding a section.

Referred to the Committee on Governmental Operations.

Mr. Chmielewski introduced—

S. F. No. 2538: A bill for an act relating to taxation; exempting advertising billboards from property taxation; amending Minnesota Statutes, 1975 Supplement, Section 272.02, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. O'Neill introduced—

S. F. No. 2539: A bill for an act relating to state government; creating a board of sheet metal, heating, ventilation and air conditioning; permitting a statewide license; appropriating money.

Referred to the Committee on Labor and Commerce.

Messrs. Frederick, Fitzsimons and Berg introduced—

S. F. No. 2540: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 12; providing a regular session of the legislature in odd numbered years only.

Referred to the Committee on Governmental Operations.

Mr. Spear introduced—

S. F. No. 2541: A bill for an act relating to contests and giveaways; requiring certain disclosure; providing a penalty.

Referred to the Committee on Labor and Commerce.

Messrs. Berg, Bernhagen and Schrom introduced—

S. F. No. 2542: A bill for an act relating to taxation; distribution of proceeds of taxation of electric transmission and certain distribution lines; amending Minnesota Statutes, 1975 Supplement, Section 124.212, Subdivision 2; and Minnesota Statutes 1974, Section 273.42.

Referred to the Committee on Taxes and Tax Laws.

Mr. Olson, A. G. introduced—

S. F. No. 2543: A bill for an act relating to taxation; providing for the taxation of unemployment compensation benefits if the recipient's other income is in excess of \$12,000 in the year; amending Minnesota Statutes 1974, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1852.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 8, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1252, 1901, 1924 and 1975.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 9, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File herewith returned: S. F. No. 2070.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 10, 1976

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 21: A house concurrent resolution designating September 13 to 19, 1976 as Minnesota Farmfest Week.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 10, 1976

Referred to the Committee on Rules and Administration.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1751:

H. F. No. 1751: A bill for an act relating to game and fish; firearms permissible for taking wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 9.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Dahl, McEachern and Wigley have been appointed as such committee on the part of the House.

House File No. 1751 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 9, 1976

Mr. Bernhagen moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1751, and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1530:

H. F. No. 1530: A bill for an act relating to metropolitan land use and planning; providing certain requirements and procedures for local governmental units and school districts in the metropolitan area; providing interim zoning; amending Minnesota Statutes 1974, Section 462.365, by adding a subdivision; Minnesota Statutes, 1975 Supplement, Section 473.175.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Cassery; Berg; Schreiber; Sieben, H. and Eken have been appointed as such committee on the part of the House.

House File No. 1530 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 9, 1976

Mr. North moved that H. F. No. 1530 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED, by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1383: A bill for an act relating to metropolitan government; regulating solid waste; amending Laws 1975, Chapter 13, Sections 1, by adding subdivisions; 11, Subdivision 1; 139; 140, Subdivision 1; 141; 142; 143; and 144; and by adding sections; repealing Laws 1975, Chapter 13, Section 140, Subdivision 2.

Senate File No. 1383 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 9, 1976

Mr. North moved that S. F. No. 1383 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED, by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1794: A bill for an act relating to courts; prescribing the jurisdictional limits of conciliation courts in the counties of Hennepin and Ramsey; amending Minnesota Statutes 1974, Sections 488A.12, Subdivision 3; and 488A.29, Subdivision 3.

Senate File No. 1794 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 8, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Gearty moved that the Senate concur in the amendments by the House to S. F. No. 1794 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1794: A bill for an act relating to courts; prescribing

the jurisdictional limits of conciliation courts in the counties of Hennepin and Ramsey; amending Minnesota Statutes 1974, Sections 488A.12, Subdivision 3; 488A.14, Subdivision 6; 488A.29, Subdivision 3; and 488A.31, Subdivision 6.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Olhoff	Schrom
Arnold	Dunn	Kirchner	Olson, A. G.	Sillers
Ashbach	Fitzsimons	Kleinbaum	Olson, H. D.	Solon
Bang	Frederick	Knutson	Olson, J. L.	Spear
Berg	Gearty	Kowalczyk	O'Neill	Stassen
Bernhagen	Hansen, Baldy	Larson	Patton	Stumpf
Blatz	Hansen, Mel	Laufenburger	Perpich, A. J.	Tennesen
Borden	Hanson, R.	Lewis	Perpich, G.	Ueland
Brataas	Hughes	McCutcheon	Pillsbury	Wegener
Brown	Humphrey	Milton	Purfeerst	Willet
Chenoweth	Jensen	Moe	Renneke	
Chmielewski	Josefson	North	Schaaf	
Coleman	Keefe, J.	Ogdahl	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED, by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1493: A bill for an act relating to natural resources; amending certain laws concerning minnows; amending Minnesota Statutes 1974, Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivision 17; 101.42, Subdivisions 5 and 6; and Minnesota Statutes, 1975 Supplement, Section 98.46, Subdivision 5.

Senate File No. 1493 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 9, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Schrom moved that the Senate concur in the amendments by the House to S. F. No. 1493 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1493 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, J.	Olhoff	Schrom
Arnold	Doty	Keefe, S.	Olson, A. G.	Sillers
Ashbach	Dunn	Kirchner	Olson, H. D.	Solon
Bang	Fitzsimons	Kleinbaum	Olson, J. L.	Spear
Berg	Frederick	Knutson	O'Neill	Stassen
Bernhagen	Gearty	Kowalczyk	Patton	Stokowski
Blatz	Hansen, Baldy	Larson	Perpich, A. J.	Stumpf
Borden	Hansen, Mel	Lewis	Perpich, G.	Tennessee
Brataas	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brown	Hughes	Milton	Purfeerst	Wegener
Chenoweth	Humphrey	Moe	Renneke	Willet
Chmielewski	Jensen	North	Schaaf	
Coleman	Josefson	Ogdahl	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 435, 1988, 2225, 2335, 1349 and 1897.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 8, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1382, 1953, 1979, 2188 and 2197.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 9, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 2441, 1961, 1962, 1963, 1964, 1966, 1967, 2007, 2009, 2010, 2090, 2155, 2159, 595, 1913, 1918, 1919, 1960, 2048, 2321, 2338, 2518, 1926, 2342, 2442, 2463, 2490, 424, 608, 1866, 2022 and 2344.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 10, 1976

**FIRST READING OF HOUSE BILLS**

The following bills were read the first time and referred to the committees indicated.

**H. F. No. 435:** A bill for an act relating to the city of Two Harbors; providing for reimbursement of city officers for wages lost during time spent on official business.

Referred to the Committee on Rules and Administration.

**H. F. No. 1988:** A bill for an act relating to port authorities; authorizing port authorities to apply for and exercise the powers of a foreign trade zone; amending Minnesota Statutes 1974, Section 458.192, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Rules and Administration.

**H. F. No. 2225:** A bill for an act relating to veterans affairs; applications for adjusted compensation; establishing an application time limit; extending the appropriation expiration date; amending Minnesota Statutes, 1975 Supplement, Section 197.973; and Laws 1975, Chapter 3, Section 2.

Referred to the Committee on Rules and Administration.

**H. F. No. 2335:** A bill for an act relating to insurance; revising financial requirements for certain insurance companies; amending Minnesota Statutes 1974, Section 60A.07, Subdivisions 5a, 5b, 5c and 5d.

Referred to the Committee on Rules and Administration.

**H. F. No. 1349:** A bill for an act relating to taxation; increasing inheritance tax exemptions; providing that the same inheritance rates and exemptions apply to widow and widower; increasing the maintenance deduction; providing for the payment of the inheritance tax in installments over five years; providing an undue hardship deferral; amending Minnesota Statutes 1974, Sections 291.03; 291.05; 291.10; 291.11, Subdivision 1; 291.14, Subdivision 2; 291.20, Subdivisions 1 and 4; and Chapter 291, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 291.131, Subdivision 6; 291.132; and 291.14, Subdivision 4.

Referred to the Committee on Rules and Administration.

**H. F. No. 1897:** A bill for an act relating to game and fish; commercial fishing on Lake of the Woods; amending Minnesota Statutes 1974, Section 102.26, Subdivision 2.

Referred to the Committee on Natural Resources and Agriculture.

**H. F. No. 1382:** A bill for an act relating to transportation; authorizing the commissioner of administration to acquire vehicles for the car pooling of state employees; removing, restricting or clarifying certain laws which discourage use of shared ride commuter vans to transport employees to and from work; providing

certain incentives; appropriating money; amending Minnesota Statutes 1974, Chapter 221, by adding a section; and Sections 16.85, Subdivision 1; and 65B.47, Subdivisions 1 and 2; and Minnesota Statutes, 1975 Supplement, Sections 65B.43, Subdivision 12; 221.011, Subdivision 22; repealing Minnesota Statutes 1974, Section 16.755.

Referred to the Committee on Rules and Administration.

H. F. No. 1953: A bill for an act relating to commerce; providing longer warranties for mobile homes; amending Minnesota Statutes 1974, Section 327.54, Subdivision 2.

Referred to the Committee on Labor and Commerce.

H. F. No. 1979: A bill for an act relating to taxation; defining "claimant" for purposes of certain homestead credits; amending Minnesota Statutes, 1975 Supplement, Sections 290A.03, Subdivision 8; and 290A.04, Subdivisions 2 and 3.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 2188: A bill for an act relating to motor vehicles; defining powers of the registrar of motor vehicles; providing for the appointment of private deputy registrars; providing for the appointment of a county license bureau director as deputy registrar; amending Minnesota Statutes 1974, Sections 168.33, Subdivision 7; and 373.35, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Section 168.33, Subdivision 2; repealing Minnesota Statutes 1974, Section 373.36.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 2197: A bill for an act relating to insurance; providing for certain mandatory deductible offerings; amending Minnesota Statutes 1974, Section 65B.49, Subdivision 5.

Referred to the Committee on Labor and Commerce.

H. F. No. 2441: A bill for an act relating to Minnesota Statutes; providing for the correction of erroneous, ambiguous, omitted and obsolete references and text; reenacting certain laws inadvertently repealed; eliminating certain duplicitous and conflicting provisions superseded by or conflicting with other provisions of law; amending Minnesota Statutes 1974, Chapter 359, by adding a section; Sections 9.031, Subdivision 3; 15.50, Subdivision 2; 16.02, Subdivision 14; 16.13; 16.872, Subdivision 2; 16A.125, Subdivision 6; 30.464, Subdivision 1; 30.467; 30.469; 38.02, Subdivision 2; 43.07, Subdivision 1; 72A.25, Subdivision 3; 86.41; 110.53; 116F.08; 121.85; 121.86; 121.88; 123.32, Subdivision 7; 144.01; 144.63, Subdivision 2; 144.952, Subdivision 1; 151.02; 155.04; 156.11; 176.471, Subdivision 3; 205.10, as amended; 216.25; 239.46; 246.02, Subdivision 4; 248.07, Subdivision 4; 253A.02, Subdivision 18; 256.863; 256.935, Subdivision 1; 256D.-21; 268.10, Subdivision 8; 270.10, Subdivision 1; 271.10, Subdi-

vision 2; 275.127; 291.33, Subdivision 1; 298.281, Subdivision 5; 306.38, Subdivision 2; 309.52, Subdivision 1a; 319A.11, Subdivision 2; 341.05, Subdivision 2; 341.06; 341.07; 341.08; 341.09, Subdivisions 2 and 3; 341.12; 341.13; 341.15; 345.38, Subdivision 1; 355.80; 363.10; 366.10; 368.01, Subdivision 25; 375A.09, Subdivision 4; 414.07, Subdivision 2; 414.08; 430.031, Subdivision 4; 462A.04, Subdivision 1; 472.03, Subdivision 2; 481.15, Subdivision 2; 487.03, Subdivision 2; 490.12, Subdivision 5; 490.16, Subdivision 6; 532.38; 546.09; 546.10; 562.04; 617.41; Minnesota Statutes, 1975 Supplement, Sections 15.162, Subdivision 1; 15.163, Subdivision 2; 15.166, Subdivisions 1 and 2; 15.167; 43.12, Subdivision 23; 43.43, Subdivision 2; 82.18; 116A.01, Subdivision 1a; 116A.20, Subdivision 1; 116A.24, Subdivision 1; 121.87, Subdivision 1; 123.36, Subdivision 10; 124.03, Subdivision 1; 124.212, Subdivision 8a; 127.25, Subdivision 3; 136A.233, Subdivision 1; 144.53; 147.01; 148.03; 148.181, Subdivision 1; 148.52; 148.67; 150A.02, Subdivision 1; 153.02; 154.22; 156.01, Subdivision 1; 210A.09; 273.138, Subdivision 3; 298.281, Subdivision 1; 325.942, Subdivision 1; 326.04; 326.17; 326.241, Subdivision 1; 326.541; 341.01; 341.04; 341.05, Subdivision 1; 341.10; 341.11; 354A.12; 386.63, Subdivision 1; 473.204, Subdivision 2; 473.823, Subdivision 4; 488A.01, Subdivision 5; 500.24, Subdivision 2; 501.81, Subdivision 3; Laws 1975, Chapter 271, Section 3; reenacting Laws 1969, Chapters 1123, as amended; 1126, Section 2, as amended; and 1137, as amended; repealing Minnesota Statutes 1974, Sections 15A.081, Subdivision 1a; 123.31, as amended; 239.45; and 366.182; Laws 1975, Chapters 46, Section 11; 162, Section 28; and 342, Section 1; Laws 1976, Chapter 2, Section 152.

Referred to the Committee on Judiciary.

H. F. No. 1961: A bill for an act relating to the city of Chanhassen; firemen's service pensions.

Referred to the Committee on Rules and Administration.

H. F. No. 1962: A bill for an act relating to the city of Wadena; increasing payments for firemen's relief association service pensions.

Referred to the Committee on Governmental Operations.

H. F. No. 1963: A bill for an act relating to the city of Mound; firemen's service pensions; amending Laws 1973, Chapter 175, Section 1, as amended.

Referred to the Committee on Rules and Administration.

H. F. No. 1964: A bill for an act relating to the city of Newport; volunteer firemen's service pensions.

Referred to the Committee on Governmental Operations.

H. F. No. 1966: A bill for an act relating to judges; authoriz-

ing certain retired judges and their dependents to participate in the state employee hospital benefits and medical benefits program; amending Minnesota Statutes 1974, Section 43.491, by adding a subdivision.

Referred to the Committee on Rules and Administration.

H. F. No. 1967: A bill for an act relating to the city of Rockford; proportionate service pensions and financing requirements of the firemen's relief association.

Referred to the Committee on Governmental Operations.

H. F. No. 2007: A bill for an act relating to the city of Wayzata; volunteer firemen's service pensions; amending Laws 1973, Chapter 472, Section 1.

Referred to the Committee on Governmental Operations.

H. F. No. 2009: A bill for an act relating to the city of Eveleth; firemen's pensions therein; amending Laws 1935, Chapter 208, Section 11, as added.

Referred to the Committee on Rules and Administration.

H. F. No. 2010: A bill for an act relating to the city of Eveleth; increase in police pensions; amending Laws 1965, Chapter 636, Section 8, as added.

Referred to the Committee on Rules and Administration.

H. F. No. 2090: A bill for an act relating to the city of Worthington; volunteer firemen's service pensions.

Referred to the Committee on Rules and Administration.

H. F. No. 2155: A bill for an act relating to retirement; proportionate annuities for members of various funds; amending Minnesota Statutes, 1975 Supplement, Section 356.32, Subdivision 2.

Referred to the Committee on Governmental Operations.

H. F. No. 2159: A bill for an act relating to the city of Minneapolis; municipal employees survivor benefits; amending Minnesota Statutes 1974, Section 422A.23, Subdivisions 2 and 3; repealing Minnesota Statutes 1974, Section 422A.23, Subdivision 4.

Referred to the Committee on Governmental Operations.

H. F. No. 595: A bill for an act relating to retirement; authorized expenditures of firemen's relief associations; amending Minnesota Statutes 1974, Section 424.31.

Referred to the Committee on Governmental Operations.

H. F. No. 1913: A bill for an act relating to the city of Waseca; authorizing lump sum firemen's service pensions.

Referred to the Committee on Governmental Operations.

H. F. No. 1918: A bill for an act relating to the city of Shakopee; authorizing an increase in fire department relief association lump sum service benefits.

Referred to the Committee on Rules and Administration.

H. F. No. 1919: A bill for an act relating to public employees; providing for state recognition of the certified professional secretary examination.

Referred to the Committee on Governmental Operations.

H. F. No. 1960: A bill for an act relating to the firemen's relief association of the city of Goodview; providing that years of service with the Goodview volunteer fire department shall be treated as years of service with the Goodview firemen's relief association; repealing Laws 1974, Chapter 188.

Referred to the Committee on Rules and Administration.

H. F. No. 2048: A bill for an act relating to highways; authorizing the use by certain local business and religious establishments of certain advertising devices on certain highways; amending Minnesota Statutes 1974, Sections 160.283, by adding a subdivision; and 160.284.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 2321: A bill for an act relating to the city of Sauk Rapids; fireman's lump sum service pensions; amending Laws 1973, Chapter 481, Section 1.

Referred to the Committee on Governmental Operations.

H. F. No. 2338: A bill for an act relating to the city of Fergus Falls; firemen's service pensions; amending Laws 1971, Chapter 2, Section 1.

Referred to the Committee on Governmental Operations.

H. F. No. 2518: A bill for an act relating to the city of Hastings; removing certain restrictions on the use of certain lands conveyed by the state to the city; amending Extra Session Laws 1967, Chapter 18, Section 2.

Referred to the Committee on Rules and Administration.

H. F. No. 1926: A bill for an act relating to drugs; clarifying the prohibition against sale or possession of legend drugs by certain persons; authorizing local detoxification centers to purchase and possess legend drugs; amending Minnesota Statutes 1974, Section 151.37, Subdivision 5.

Referred to the Committee on Rules and Administration.

H. F. No. 2342: A bill for an act relating to state hospitals; providing certain name changes; amending Minnesota Statutes 1974, Sections 252.025, Subdivision 1; 253.201; 253A.02, by adding a subdivision; and 254.05.

Referred to the Committee on Finance.

H. F. No. 2442: A bill for an act relating to Minnesota Statutes; restoring certain erroneously omitted language; amending Laws 1975, Chapter 347, Section 3.

Referred to the Committee on Judiciary.

H. F. No. 2463: A bill for an act relating to highway traffic regulations; defining terms; authorizing flashing lights on certain vehicles; authorizing certain vehicles to be equipped with a flashing amber lamp and to display the lighted lamp under certain conditions; amending Minnesota Statutes 1974, Sections 169.01, by adding a subdivision; and 169.64, Subdivision 3, and by adding a subdivision.

Referred to the Committee on Rules and Administration.

H. F. No. 2490: A bill for an act relating to highways; designating and establishing the route of the "Glacial Ridge Trail"; amending Minnesota Statutes 1974, Section 161.14, Subdivision 15.

Referred to the Committee on Rules and Administration.

H. F. No. 424: A bill for an act relating to tort liability of cities, counties, towns, public authorities, certain public corporations, school districts and political subdivisions of the state; amending Minnesota Statutes 1974, Section 466.05, Subdivision 1.

Referred to the Committee on Judiciary.

H. F. No. 608: A bill for an act relating to labor; specifying a minimum wage rate for agricultural sugar beet workers; appropriating money; amending Minnesota Statutes 1974, Chapter 177, by adding a section.

Referred to the Committee on Labor and Commerce.

H. F. No. 1866: A bill for an act relating to tort liability; raising the liability limits of political subdivisions; limiting the liability of individuals employed by political subdivisions; amending Minnesota Statutes 1974, Sections 466.04, Subdivision 1, and by adding subdivisions; and 466.05, Subdivision 2.

Referred to the Committee on Judiciary.

H. F. No. 2022: A bill for an act relating to real property; title registration; providing for the issuance of duplicate certificates of title to replace lost or destroyed duplicate certificates; prescribing fees of the registrar; amending Minnesota Statutes 1974, Sections 508.44 and 508.82.

Referred to the Committee on Rules and Administration.

H. F. No. 2344: A bill for an act relating to physicians; requiring continuing medical education; providing for reporting of credit hours, granting of extensions, and discipline; defining terms.

Referred to the Committee on Health, Welfare and Corrections.

### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S. F. Nos. 2096, 2247, 1895 and 1950 and reports pertaining to appointments. The motion prevailed.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which were referred the following appointments as reported in the Journal for February 20, 1976:

### ETHICAL PRACTICES BOARD

Roger Noreen

Harold Chase

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2156: A bill for an act relating to public safety; highway patrol; authorizing the commissioner of public safety to maintain certain aircraft; excepting certain personnel in the department of public safety from the requirement of reimbursing the state for the cost of using state-owned vehicles; amending Minnesota Statutes, 1975 Supplement, Section 16.753.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 6, strike "two" and insert "helicopters and"

Page 2, lines 9 to 12, strike all of section 3 and insert:

"Sec. 3. Laws 1975, Chapter 204, Section 31, Subdivision 2, is amended to read:

Subd. 2. Supplies and Expense	10,153,390	10,100,716
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Of the amounts provided in subdivision 2, \$7,225,312 for the first year and \$6,848,124 for the second year are appropriated from the trunk highway fund for traffic safety programs.

Of the amounts provided in subdivision 2, \$1,862,264 for the first year and \$2,042,709 for the second year are appropriated from the

highway user tax distribution fund for administration of motor vehicle laws.

Of the amount provided in subdivision 2, \$1,065,814 for the first year and \$1,209,883 for the second year is appropriated from the general fund.

The commissioner is directed to sell or otherwise dispose of two fixed wing aircraft operated by the department of public safety prior to January 1, 1976. The commissioner shall maintain not more than three helicopters in flight condition. The three units which the department is authorized to maintain shall be located in and for primary use in the seven county metropolitan area. As the number of aircraft units is reduced as herein directed, the number of highway patrol officer pilots shall be reduced accordingly and those officers reassigned to road patrol duty. Once returned to road patrol duty, highway patrol officers shall not continue to receive flight status compensation in addition to their regular salaries. All moneys received from the sale of aircraft shall be deposited as non-dedicated receipts to the trunk highway fund."

Further, amend the title as follows:

Page 1, line 9, after "16.753" insert "; Laws 1975, Chapter 204, Section 31, Subdivision 2"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 2379: A bill for an act relating to public transit; authorizing public transit authorities to establish public transit aid programs designed to assist nonprofit organizations providing transit services to the elderly and handicapped.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2053: A bill for an act relating to elections; providing for nonpartisan municipal elections in Duluth; amending Minnesota Statutes 1974, Section 205.17.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, strike "other"

Page 2, line 2, after "organized" insert ", except the city of Duluth"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1971: A bill for an act relating to transportation; providing for rail transportation improvements throughout the state; creating the Minnesota rail line improvement fund; authorizing the development of a state plan for rail transportation and a feasibility study of rail line acquisition by the state or by a political subdivision of the state; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [LEGISLATIVE PURPOSE.] The legislature finds and determines that integrated transportation systems, including railways, highways and airways, are necessary in order to meet the economic and energy needs of the citizens of the state, both now and in the future. The legislature finds that a portion of the present railroad system in the state does not provide adequate service to citizens of the state. The legislature further finds and determines that it is in the best interest of the state to establish and fund a rail service improvement program and to establish a railroad planning progress in order to preserve and improve essential rail service in the state.

Sec. 2. [CITATION.] Sections 1 to 10 may be cited as “the Minnesota rail service improvement act”.

Sec. 3. [DEFINITIONS.] Subdivision 1. As used in sections 1 to 10, the terms defined in this section shall have the meanings given them herein.

Subd. 2. “Department” means the state planning agency.

Subd. 3. “Director” means the director of the state planning agency.

Subd. 4. “Rail line” means railroad roadbeds, track, track structure, and other appurtenances of railroad right-of-way.

Subd. 5. “Rail service” means rail transportation and local rail service.

Subd. 6. “Rail user” means shippers, consignors or other business entities that depend upon or benefit from the movement of goods and products by means of rail service.

Sec. 4. [RAIL SERVICE IMPROVEMENT FUND.] Subdivision 1. [DEPOSITS; APPROPRIATION.] The rail service improvement fund is created as a special account in the state treasury. All money appropriated to or received by the department for the purpose of rail service improvement, other than administrative costs, shall be deposited in this fund. All money so deposited is appropriated to the department for expenditure for rail service improvement in accordance with applicable federal law and subject to the expenditure restrictions provided in subdivision 2 of this section. Administrative costs for the rail service improvement program shall not be paid from the fund but shall be provided by direct appropriations to the department for this purpose.

Subd. 2. [EXPENDITURE RESTRICTIONS.] Direct appro-

priations to the rail service improvement fund, unless otherwise specified, shall be expended exclusively for rehabilitation of rail lines through contracts negotiated and entered into by the director. The participants in these contracts shall be railroads, rail users and the department, and may be political subdivisions of the state and the federal government. In such contracts, participation by all parties shall be voluntary.

Subd. 3. In making any contract pursuant to subdivision 2 the director may:

(1) Stipulate minimum operating standards for rail lines when improved, including speed, freight-carrying capacity, and frequency of service;

(2) Require a portion of the total assistance for improving a rail line to be loaned to the railroad by rail users and require the railroad to reimburse rail users for any loan on the basis of use of the line and the revenues produced when the line has been improved;

(3) Determine the terms and conditions under which all or any portion of state funds allocated shall be repaid to the department by the railroads. Reimbursement may be made as a portion of the increased revenue derived from the improved rail line. Any reimbursement received by the department pursuant to this clause shall be deposited in the rail service improvement fund and shall be appropriated exclusively for rehabilitating other rail lines in this state; and

(4) Require, in lieu of reimbursement as provided in clause (3) of this subdivision, that the railroad establish and maintain a separate railroad fund to be used exclusively for rehabilitation of other rail lines in Minnesota, to which a portion of the increase in revenue derived from the improved rail line shall be credited. The terms and conditions for use of moneys in the fund shall be stipulated in the contract. The contract shall also stipulate a penalty for use of such funds in a manner other than as set forth in the contract and require the railroad to report to the department at such times as the director requires, concerning the disbursement of funds and the general status of rail line improvements.

Sec. 5. [RAIL SERVICE IMPROVEMENT PROGRAM.] Subdivision 1. There is created the rail service improvement program to provide assistance for improvement of rail service in the state.

Subd. 2. The director shall identify those rail lines that have deteriorated or are in danger of deteriorating so as to be unable to carry the speeds and weights necessary to efficiently transport the goods and products moved or sought to be moved on the lines.

Subd. 3. The director shall have all the powers necessary and convenient to implement the rail service improvement program, including the power to:

(a) Develop criteria for determining priorities for the allocation of funds or in kind contributions to railroads. In determining priorities, the considerations of the director shall include the economic and social benefits to the state and to the area being served;

(b) Negotiate and enter into contracts for rail line rehabilitation or other rail service improvement;

(c) Disburse state and federal funds for rail service improvements;

(d) Adopt rules necessary to carry out the purposes of this act.

Sec. 6. [FUNDS OF POLITICAL SUBDIVISIONS.] The governing body of any political subdivision of the state may with the approval of the director appropriate money for rail service improvement and may participate in the state rail service improvement program.

Sec. 7. [COOPERATION BETWEEN STATES.] The director may cooperate with other states in connection with the rail service improvement program and the railroad planning process. In exercising the authority conferred by this section, the director may enter into contractual arrangements with other states.

Sec. 8. [ACCEPTANCE OF FEDERAL FUNDS.] The director may exercise those powers necessary for the state to qualify for, accept, and disburse any federal funds that may be made available pursuant to the provisions of the federal rail revitalization and regulatory reform act of 1976, or any other federal law, including the power to:

(a) Establish an adequate plan for rail services in the state as part of an overall planning process for all transportation services in the state, including a suitable process for updating, revising, and amending the plan,

(b) Administer and coordinate the plan with other state agencies, and provide for the equitable distribution of resources,

(c) Develop, promote, and support safe, adequate and efficient rail transportation services; employ qualified personnel; maintain adequate programs of investigation, research, promotion and development, with provisions for public participation; and take all practical steps to improve transportation safety and reduce transportation-related energy utilization and pollution,

(d) Adopt and maintain adequate procedures for financial control, accounting and performance evaluation in order to assure proper use of state and federal funds,

(e) Do all things otherwise necessary to maximize federal assistance to the state under the federal rail revitalization and regulatory reform act of 1976 or other relevant federal legislation.

Sec. 9. [ACCESS TO INFORMATION.] The director may request any railroad to provide such information as necessary to carry out the purposes of this act. Railroads operating within

the state shall provide such information within 60 days of the date of the request. The director may issue subpoenas to compel production of such information if not provided within the time required. The director shall exercise all necessary caution to avoid disclosure of confidential information supplied under this section.

Sec. 10. [APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund to the rail service improvement fund the sum of \$3,000,000.

Subd. 2. There is appropriated from the general fund to the state planning agency the sum of \$150,000 for administrative costs of the rail service improvement program, to be available until June 30, 1977.

Sec. 11. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Further, amend the title as follows:

Page 1, strike lines 2 to 9 and insert:

"relating to transportation; creating a rail service improvement fund; authorizing contractual agreements for rail line rehabilitation; establishing a rail service improvement program; requiring study of state regulatory and tax policies affecting rail transportation; prescribing powers and duties of the director of the state planning agency; appropriating money."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1788: A bill for an act relating to banks and banking; authorizing consumer banking facilities; providing penalties.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 4, strike "effects" and insert "affects"

Page 2, line 5, after "customers" strike the semicolon and insert ", or the use of a device which performs transactions for customers of a credit union or a savings and loan association as provided in section 5, subdivision 3 of this act."

Page 2, line 6, strike "except,"

Page 2, line 6, strike "exclude" and insert "include"

Page 2 after line 21, insert:

"Subd. 6. "Savings and loan association" means an association subject to the provisions of sections 51A.01 to 51A.57 and an association organized and existing under the laws of the United States and having its principal office in this state.

Subd. 7. "Credit union" means a credit union subject to the provisions of sections 52.01 to 52.22 and a credit union organized and existing under the laws of the United States and having its principal office in this state."

Page 4, line 6, after "bank." strike "Provided that any bank customer who has lost or has "

Page 4, strike lines 7 to 12

Page 5, line 21, after "facilities" insert "and which shall be based on a per transaction cost"

Page 5, line 21, after the period insert "Subject to the provisions of this act, anyone establishing and maintaining a consumer banking facility may make the same available for use by one or more savings and loan associations and credit unions and the customers thereof. A bank may participate upon contractual agreement in the use of a device which qualified as a consumer banking facility pursuant to the provisions of this act and is owned or operated by one or more savings and loan associations or credit unions. Any financial institution requesting use of a consumer banking facility shall be permitted use if the financial institution conforms to reasonable technical operation standards established by the facility provider and approved by the commissioner.

For the purposes of this subdivision consumer banking facility shall include all facilities used for transmitting information from the consumer banking facility to a financial institution."

Page 6, line 11, after "(c)" insert "Media advertising or"

Page 6, line 11, strike "to"

Page 6, line 12, strike "its customers"

Page 6, line 13, strike "which said banks will provide," and insert "and promoting their usage."

Page 6, strike line 14

Page 7, line 6, after "losses" strike "to"

Page 7, line 7, strike "its customers"

Page 7, strike lines 9 to 14 and insert "A bank shall be liable for all unauthorized withdrawals unless the unauthorized withdrawal was (a) due to the negligent conduct or the intentional misconduct of the operator of a consumer banking facility or his agent in which case the operator shall be liable , or (b) due to the loss or theft of the customer machine readable card in which case the customer shall be liable for those unauthorized withdrawals made prior to the time the bank is notified of the loss or theft subject to a maximum liability of \$50. Transactions which involve deposits or payments by a customer to a financial institution at a consumer banking facility are completed when the deposit or payment is made and the customer receives his receipt at the consumer banking facility. Any loss due to theft or other reason subsequent to that time is a loss by the bank."

Page 7, line 15, strike "unauthorized withdrawal."

Page 8, after line 31, insert:

"Sec. 12. Minnesota Statutes 1974, Chapter 52, is amended by adding a section to read:

[52.041] *Subdivision 1. [DEFINITIONS.] (a) A "credit union" means a cooperative association organized in accordance with the provisions of this chapter or Title 12 of the United States Code. (b) A "credit union consumer facility" means any manned or unmanned electronic based system, device or machine located separate and apart from the credit union offices through which a credit union member may communicate and obtain from his credit union any authorized service pursuant to terms of an existing contractual arrangement between a credit union and its member. The device may receive or dispense cash or transfer funds for a member's benefit, subject to verification of the credit union.*

*Subd. 2. [CREDIT UNION CONSUMER FACILITY; AUTHORITY.] A credit union having its principal office in this state may own, establish, maintain or use one or more credit union consumer facilities.*

*Subd. 3. [SHARED FACILITIES.] A credit union may participate in the ownership, establishment, maintenance or use of one or more credit union consumer facilities with one or more credit unions. A credit union may share upon contractual agreement with one or more federal or state charter commercial banks, mutual savings bank or savings and loan association having its principal office in this state. Approval to own, establish, maintain or use a credit union consumer facility shall be given by the commissioner of banks upon application of a credit union if it shall appear that the facility will benefit the members of the credit union and is consistent with purposes of Minnesota Statutes, Chapter 52.*

*Subd. 4. [RULES AND REGULATIONS.] Pursuant to Minnesota Statutes, Chapter 15, the commissioner of banks shall promulgate rules and regulations consistent with all applicable provisions of this act that are reasonably necessary to carry out and make effective the provisions and purposes of this section."*

Renumber the sections in sequence

Underline all the new language in the bill

Amend the title as follows:

Page 1, line 3, before the semicolon insert "and credit union facilities"

Page 1, line 3, after "penalties" insert "; amending Minnesota Statutes 1974, Chapter 52, by adding a section"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2247: A bill for an act abolishing the Clearwater River Watershed district in the counties of Meeker, Stearns and Wright.

Reports the same back with the recommendation that the bill do pass. Mr. Bang questioned the reference thereon and, under Rule

35, the bill was referred to the Committee on Rules and Administration.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2343: A bill for an act relating to game and fish; migratory waterfowl hunting hours; amending Minnesota Statutes 1974, Section 100.27, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2226: A bill for an act relating to counties; authorizing inclusion of cities in sewer and water districts; allowing certain special assessments; providing a flexible accounting system for multi-county projects; amending Minnesota Statutes 1974, Sections 116A.01, Subdivisions 1 and 2, and by adding a subdivision; 116A.16; 116A.17, Subdivision 2; and 116A.24, Subdivision 3; and Minnesota Statutes, 1975 Supplement, Sections 116A.01, Subdivisions 1a and 4; and 116A.20, Subdivisions 2 and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 8, after "*county*" insert "*in its discretion*"

Page 5, line 9, after "*county*" insert "*, or in that part of the county located in the area to be served by the water or sewer or combined system, or in that part of the county located in the district in which the system is located,*"

Page 5, line 15, strike "*the payment of*" and insert "*all such ad valorem taxes not otherwise permitted to be levied under this subdivision from the state or federal funds or other funds made available to pay these costs under chapter 116A if and to the extent the funds become available. Each county, in its discretion, may levy ad valorem property taxes upon all taxable property*"

Page 5, strike lines 16 through 18

Page 5, line 19, strike "*the county, or*"

Page 6, line 24, strike "*development*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was re-referred

S. F. No. 1979: A bill for an act relating to hospitals; providing for loans to medical students who agree to practice in the hospital district; amending Minnesota Statutes 1974, Chapter 447, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "students" insert "*who meet eligibility criteria established by resolution of the hospital board*"

Page 1, line 13, strike "*in the state*"

Page 1, line 15, after the period insert "*No loan may exceed \$28,000 to any one applicant, to be paid in annual installments not to exceed \$7,000 per year. No loan may be made to any student who is receiving a similar loan under any other program authorized by law. Each recipient shall execute a note to the hospital district payable on demand for the principal amount of the loan, and for any interest agreed to by the parties. All other*"

Page 1, line 17, after "be" insert "*determined by the parties and shall be*"

Page 1, line 18, after the period insert "*If the recipient fails to fulfill the obligation to practice, the principal and interest, if any, shall be payable according to the terms of the note executed by the recipient.*"

Page 1, after line 18, insert

"Sec. 2. Minnesota Statutes 1974, Section 447.34, Subdivision 1, is amended to read:

447.34 [PAYMENT OF EXPENSES; TAXATION.] Subdivision 1. Expenses of acquisition, betterment, administration, operation, and maintenance of all hospital and nursing home facilities operated by any hospital district, *expenses incurred pursuant to section 1 of this act*, and the expenses of organization and administration of such district and of planning and financing such facilities, shall be paid from the revenues derived from such facilities, and to the extent necessary, from ad valorem taxes levied by the hospital board upon all taxable property situated within the district, and, to the extent determined from time to time by the board of county commissioners of any county in which territory of the district is situated, from appropriations made by said board in accordance with the provisions of Minnesota Statutes, Section 376.08, and any future laws amending or supplementing the same. Any moneys appropriated by such board of county commissioners for the acquisition or betterment of facilities of the hospital district may be transferred in the discretion of the hospital board to a sinking fund for bonds issued for that purpose. The hospital board may agree to repay to the county any sums appropriated by the board of county commissioners for this purpose, out of the net revenues to be derived from operation of its facilities, and subject to such terms as may be agreed upon. No taxes levied by a hospital district in any year, other than taxes levied for payment of bonded indebtedness, shall exceed in amount \$1.50 per capita of the population of the district according to the last state or federal census, if the amount proposed to be levied in excess of such amount, when added to the levy subject to the limitations of Minnesota Statutes, Section 275.10 or Section 275.11, of any of the municipalities within the district, would cause such municipal levy to exceed the limitations of such applicable section."

Amend the title as follows:

Page 1, line 5, after "1974," insert "Section 447.34, Subdivision 1; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1987: A bill for an act relating to the city of Eveleth; firemen's pensions therein; amending Laws 1935, Chapter 208, Section 11, as added.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, after the period insert "*No retired member or surviving widow shall receive increases under both Laws 1975, Chapter 200, and this act.*"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1986: A bill for an act relating to the city of Eveleth; increase in police pensions; amending Laws 1965, Chapter 636, Section 8, as added.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, after the period insert "*No retired member or surviving widow shall receive increases under both Laws 1975, Chapter 186, and this act.*"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1814: A bill for an act relating to the city of Worthington; volunteer firemen's service pensions.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1802: A bill for an act relating to the firemen's relief association of the city of Goodview; providing that years of service with the Goodview volunteer fire department shall be treated as years of service with the Goodview firemen's relief association; repealing Laws 1974, Chapter 188.

Reports the same back with the recommendation that the bill do

pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred the following appointment as reported in the Journal for January 29, 1976:

#### CABLE COMMUNICATIONS BOARD

Arnold W. Aberman

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1944: A bill for an act relating to health; emphasizing what conditions make a certificate of need necessary; amending Minnesota Statutes 1974, Section 145.72, Subdivision 3, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Chapter 145, is amended by adding a section to read:

[145.761] [WAIVER.] *A proposal meeting the requirements of Section 145.72, Subdivision 3, clause (1) may be granted a waiver from the requirements of section 145.73 by the state board of health if the board determines that (a) the proposed capital expenditure is less than three percent of the annual operating budget of the facility applying for a waiver, and the expenditure is required solely to meet mandatory federal or state life, safety or other codes; or (b) the proposal involves projects not related to direct patient care services, such as parking lots, sprinkler systems, heating or air conditioning equipment, fire doors, food service equipment, building maintenance, or other projects of a like nature.*

*The request for a waiver shall be submitted by the applicant to the state board of health at the same time the applicant submits a notice of intent to the area wide comprehensive health planning agency pursuant to section 145.76, subdivision 1. The area wide comprehensive health planning agency shall submit its recommendation on the issue of the waiver to the state board of health, but the recommendation shall not be binding on the state board of health. The state board of health shall notify the applicant and the area wide comprehensive health planning agency of its decision to grant or deny the waiver within 60 days of receipt of the request.*

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 145.811, is amended to read:

145.811 [APPEALS.] The decision of the state board of health made

pursuant to section 145.79, clauses (a) and (b) , or section 1 of this act shall be the final administrative decision. Notwithstanding that the proceeding before the state board of health is not a contested case, any person aggrieved by the decision of the state board of health denying a certificate of need or denying a waiver pursuant to section 1 of this act shall be entitled to judicial review in the manner provided for in sections 15.0424 to 15.0426.

Sec. 3. *This act shall be effective the day following final enactment.*"

Amend the title as follows:

Page 1, line 2, strike "emphasizing what conditions" and insert "providing for a waiver of the certificate of need requirements by the state board of health; amending Minnesota Statutes, 1975 Supplement, Section 145.811; and Minnesota Statutes 1974, Chapter 145, by adding a section."

Page 1, strike lines 3 to 5

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1872: A bill for an act relating to health; providing that persons eligible for medical assistance have free selection of a medical care vendor; amending Minnesota Statutes, 1975 Supplement, Sections 256D.03, Subdivision 3; and 261.21, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, strike "*this chapter*" and insert "*sections 256D.01 to 256D.19*"

Page 1, line 18, strike "for the delivery"

Page 2, line 1, strike "and regulations"

Page 2, line 4, strike "and regulations"

Page 2, after line 24, insert

"Sec. 3. Minnesota Statutes, 1975 Supplement, Section 261.22, Subdivision 2, is amended to read:

Subd. 2. [DUTIES OF COUNTY BOARD.] If upon filing of ~~such~~ the report and a full investigation of the application the county board shall be satisfied that the case is one which could be remedied by hospital treatment and , that ~~such the~~ afflicted person is financially unable to secure or provide the same for himself and that the persons legally charged with the support and maintenance of ~~such that~~ person, if any there be, are financially unable to provide ~~such~~ hospitalization, the county board may grant or approve ~~said the~~ application. If the county board is not so satisfied, it may take additional testimony or make ~~such any~~ further investigation as it ~~shall deem~~ deems proper and it shall reject any

application if it finds that the facts do not merit the expenditure of public money for the relief of ~~such afflicted~~ the person. Upon ~~the approving and granting such approval of the~~ application and ~~the relief therein prayed for~~, the chairman of ~~such the~~ county board shall arrange for the hospitalization of ~~such afflicted the~~ person, in a hospital selected by the ~~county person to be hospital-~~ized. If the county board shall find that the applicant or the person legally responsible for his support and maintenance is not able to pay in full but is able to pay in part for ~~such the~~ hospitalization at ~~such the~~ hospital, the county board may approve ~~such the~~ application of ~~such afflicted the~~ person on ~~such any~~ terms of division of hospital charges and costs as it may deem equitable and just. The county board shall provide for ~~taking such afflicted~~ transportation of the person to the hospital. When a physician certifies that an emergency exists in any case and that he believes that the person suffering is unable to pay for hospitalization ~~such~~, that person shall be admitted to any ~~such~~ hospital ~~he selects~~ upon the order of the chairman of the county board or upon the order of the county commissioner of the district in which ~~such the~~ alleged indigent person resides; and thereafter an investigation shall be made in the manner hereinbefore provided. When a physician certifies in a case of an injury ~~← or an emergency →~~ that immediate surgical or medical treatment is necessary, the patient shall forthwith be admitted to any ~~such~~ hospital ~~he selects upon said certifi-~~cate for a period not to exceed 72 hours; and thereafter an investigation shall be certified and made in the manner provided in sections 261.21 to 261.23. "

Amend the title as follows:

Page 1, line 6, strike "and"

Page 1, line 6, after "2" and before the period insert "; and 261.22, Subdivision 2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1844: A bill for an act relating to judges; authorizing certain retired judges and their dependents to participate in the state employee hospital benefits and medical benefits program; amending Minnesota Statutes 1974, Section 43.491, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 1964: A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the

distribution of tax revenues; granting certain powers and duties to school districts, the commissioner of education, the state board of education, and the state board for vocational education; establishing a uniform definition of school age for all handicapped children; transferring the Minnesota school for the deaf and the Minnesota braille and sight-saving school from the jurisdiction of the commissioner of welfare to the state board of education; prohibiting certain fees; providing for the adoption of the Uniform Financial Accounting and Reporting System for Minnesota School Districts; appropriating money; amending Minnesota Statutes 1974, Sections 120.17, Subdivisions 2 and 5, and by adding subdivisions; 120.74, Subdivision 1; 121.21, by adding a subdivision; 123.37, Subdivisions 1 and 1b; 124.222, by adding a subdivision; 124.32, as amended; Chapter 124, by adding a section; Chapter 137, by adding a section; 246.01; 248.07, Subdivision 3; 275.125, by adding subdivisions; 353.28, Subdivision 8; 355.299; Minnesota Statutes, 1975 Supplement, Sections 120.17, Subdivision 1; 124.04; 124.17, Subdivision 2; 124.212, Subdivision 8a; 124.223; 124.26, by adding a subdivision; 124.561, Subdivision 3, and by adding a subdivision; 124.562, Subdivision 2; 124.563, Subdivision 3; 124.565, Subdivision 2; 275.125, Subdivisions 2a, 4, 9, 14, 15; repealing Minnesota Statutes 1974, Sections 122.54; 124.28, as amended; 124.281; 124.29; 248.01; 248.02; 248.03; 248.04; 248.05; 248.06; 248.09; 275.39; Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 11.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, lines 25 to 28, make the new language a separate paragraph

Page 16, line 28, strike "*However,*"

Page 38, line 14, after "*certification*" insert "*and the state board of education*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1297: A bill for an act relating to highway traffic regulations; lengths of certain vehicles and combinations of vehicles; amending Minnesota Statutes 1974, Section 169.81, Subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1998: A bill for an act relating to elections; providing certain changes in voter registration; amending Minnesota Statutes 1974, Sections 201.091, Subdivisions 2 and 3, and by adding a subdivision; and 201.121, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 15, strike "*precinct*" and insert "*registered voter*"

Page 2, line 19, after "reproduction" insert "*and a paper copy of the list shall be available for examination without cost to the auditor*"

Page 2, line 20, strike "*precinct*" and insert "*registered voter*"

Page 2, line 21, strike "*precinct*" and insert "*registered voter*"

Pages 2 and 3 delete Section 4.

Further, amend the title as follows:

Page 1, line 2, strike "providing certain changes" and insert "requiring the county auditor to make available certain voter registration lists"

Page 1, line 3, strike "in voter registration"

Page 1, line 4, strike "Sections" and insert "Section"

Page 1, line 5, strike "; and 201.121, Subdivision"

Page 1, line 6, strike "2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1792: A bill for an act relating to the registration of title to real estate; fees of the registrar; providing that certain fees be credited to the assurance fund; eliminating the fees for filing the certified copy of the application for registration; amending Minnesota Statutes 1974, Sections 508.75 and 508.82.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1793: A bill for an act relating to real property; title registration; providing for the issuance of duplicate certificates of title to replace lost or destroyed duplicate certificates; prescribing fees of the registrar; amending Minnesota Statutes 1974, Sections 508.44 and 508.82.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 2, insert:

"Sec. 3. [EFFECTIVE DATE.] *This act is effective the day following its final enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1932: A bill for an act relating to state administrative procedures; amending Minnesota Statutes 1974, Section 15.0418; and Minnesota Statutes, 1975 Supplement, Section 15.0411, Subdivisions 3 and 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2167: A bill for an act relating to eminent domain; time of title and possession; providing that certain payments deposited with the court shall not draw interest; amending Minnesota Statutes, 1975 Supplement, Section 117.042.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, strike "*shall not draw*" and insert "*and*"

Page 1, line 23, strike "*from the date of*" and insert "*earned thereon shall be turned over at the appropriate time claimant*"

Page 2, line 1, strike "*deposit*"

Further, amend the title as follows:

Page 1, line 4, strike "*not*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2327: A bill for an act relating to courts; clarifying fee exclusions for the Hennepin county municipal court; amending Minnesota Statutes 1974, Section 488A.03, Subdivision 11a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 17, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective the day following its final enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2373: A bill for an act relating to estates; clarifies aspects of the law concerning administration of estates; harmonizes relevant registered land law with probate code; modifies

document verification requirements; changes notice requirements; eliminates de novo appeals from probate court; authorizes the probate court to waive inheritance tax liens in supervised administrations; eliminates notice to attorney general for certain charitable devises; amending Minnesota Statutes 1974, Sections 524.1-310; 524.3-505; 524.3-1003; 524.3-1007; 524.3-1201; 525.72; amending Minnesota Statutes, 1975 Supplement, Sections 501.79, Subdivision 2; 508.68; 524.1-401; 524.3-301; 524.3-306; 524.3-310; 524.3-403; 524.3-603; 524.3-715; 524.3-801; 524.3-803; 524.3-806; 524.3-1204; 524.4-204, and 525.31.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 14 to 19, strike all of section 11

Page 21, line 3, after "the" insert "*presentment and*"

Page 23, after line 19, insert the following:

"Sec. 14. Minnesota Statutes 1974, Section 524.3-908, is amended to read:

524.3-908 [DISTRIBUTION; RIGHT OR TITLE OF DISTRIBUTEE.] Proof that a distributee has received an instrument or deed of distribution of assets in kind, or payment in distribution, from a personal representative, is conclusive evidence that the distributee has succeeded to the interest of the *decedent and the* estate in the distributed assets, as against all persons interested in the estate, except that the personal representative may recover the assets or their value if the distribution was improper.

Sec. 15. Minnesota Statutes, 1975 Supplement, Section 524.3-910, is amended to read:

524.3-910 [PURCHASERS FROM DISTRIBUTEES PROTECTED.] If property distributed in kind or a security interest therein is acquired by a purchaser, or lender, for value from a distributee who has received an instrument or deed of distribution from the personal representative, the purchaser or lender takes title free of any claims of the estate *and any interested person*, and incurs no personal liability to ~~the estate~~ *them*, whether or not the distribution was proper. To be protected under this provision, a purchaser or lender need not inquire whether a personal representative acted properly in making the distribution in kind."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, after "524.3-505;" insert "524.3-908;"

Page 1, line 16, strike "524.3-715;"

Page 1, line 17, after "524.3-806;" insert "524.3-910;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1576: A bill for an act relating to retirement; police pensions in cities of the fourth class; amending Minnesota Statutes 1974, Sections 423.55; 423.56; and 423.58.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [SURVIVOR BENEFITS.] Subdivision 1. Notwithstanding Minnesota Statutes, Section 423.58, when a service pensioner, disability pensioner, deferred pensioner, or an active member of the Crookston police relief association or the Thief River Falls police relief association dies, leaving a surviving spouse, one or more surviving children, or both, such surviving spouse and said child or children shall be entitled to a pension or pensions as follows:

(1) To such surviving spouse a pension in an amount equal to 30 percent of the member's average monthly salary earned as a police officer over the last six months of allowable service preceding death, payable monthly for the surviving spouse's natural life; provided, however, that if the surviving spouse shall remarry, then such pension shall cease and terminate as of the date of remarriage.

(2) To such child or children, until the child reaches the age of 18 years, or age of 21 years if dependent and a full-time student, a monthly benefit equal to ten percent of the member's average monthly salary earned as a police officer over the last full six months of allowable service preceding death. Payments for the benefit of any qualified dependent child under the age of 18 years shall be made to the surviving parent or if there be none, to the legal guardian of such child. The maximum monthly benefit for any one family shall not exceed \$450, and the minimum benefit per family shall not be less than \$150. If the member shall die under circumstances which entitle his surviving spouse and dependent children to receive benefits under the workers' compensation law, the amounts so received by them shall not be deducted from the benefits payable under this section.

Subd. 2. (a) “Surviving spouse” means a person who became the member's legally married spouse while or prior to the time he was on the payroll of any such police department as a police officer, and remained such continuously after their 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 before his retirement from said police 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) “Surviving child” means any child born the issue of the

lawful wedlock of a service, disability or deferred pensioner, or of deceased active member.

Sec. 2. This act with respect to the Crookston police relief association is effective upon approval by the governing body of the city of Crookston and upon compliance with Minnesota Statutes, Section 645.021, and this act with respect to the Thief River Falls police relief association is effective upon approval by the governing body of the city of Thief River Falls and upon compliance with Minnesota Statutes, Section 645.021."

Further, amend the title as follows:

Page 1, strike line 3 and insert "of Crookston and Thief River Falls."

Page 1, strike line 4

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2460: A bill for an act relating to the bicentennial; appropriating money to the Minnesota American Revolution Bicentennial Commission.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2365: A bill for an act relating to retirement; actuarial valuations and experience studies of various public retirement funds; amortization of unfunded accrued liabilities; amending Minnesota Statutes 1974, Sections 356.22, Subdivision 2; 422A.08, Subdivision 2; and Minnesota Statutes, 1975 Supplement, Section 356.215, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 11, strike "larger" and insert "nearest"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1867: A bill for an act relating to the city of Chanhasen; firemen's service pensions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "to retired members"

Page 1, line 10, after "has" insert "reached the age of 50 years and who has"

Page 1, line 11, after "performed" insert "at least"

Page 1, after line 12, insert a new section to read:

"Sec. 2. This act is effective upon approval by the governing body of the city of Chanhassen and upon compliance with the provisions of Minnesota Statutes, Section 645.021."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G., from the Committee on Local Government, to which was re-referred

S. F. No. 2195: A bill for an act relating to cities; authorizing cities engaged in electric power distribution to secure electric power by individual or joint action; authorizing the creation of municipal power agencies; defining their powers and responsibilities; authorizing the issuance of bonds.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, line 7, strike "three" and insert "five"

Page 12, after line 26, insert

"Subd. 20. It shall pay to each taxing authority within whose taxing jurisdiction its property is situated, in lieu of taxes on its property, the amounts of the taxes which would be payable if its property were owned by a private person. For this purpose the property of a municipal power agency shall be valued in the same manner and by the same procedure as the property of private persons."

Renumber the subdivisions in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G., from the Committee on Local Government, to which was referred

S. F. No. 2381: A bill for an act relating to the city of Fairmont; authorizing a solid waste disposal and resource recovery facility; granting the city the powers of a county under Minnesota Statutes 1974, Chapter 400.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "counties" insert "and other local government units"

Page 1, line 13, after the period insert "The city's facilities and program shall be exempt from any regulation by the county under

Minnesota Statutes, Chapter 400, but nothing herein shall be construed to exempt the city's facilities and programs from applicable rules and regulations or statutory authority of the Minnesota pollution control agency."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G., from the Committee on Local Government, to which was referred

S. F. No. 2469: A bill for an act relating to the city of Rochester; increasing the membership of the housing and redevelopment authority; providing terms.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Olson, A. G., from the Committee on Local Government, to which was referred

S. F. No. 2330: A bill for an act relating to municipalities; procedures required for the letting of certain contracts; amending Minnesota Statutes 1974, Section 471.345, Subdivisions 3, 4 and 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Konzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2242: A bill for an act relating to state hospitals; providing certain name changes; amending Minnesota Statutes 1974, Sections 252.025, Subdivision 1; 253.201; 253A.02, by adding a subdivision; and 254.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 19 through 23

Page 2, strike lines 1 through 9

Renumber subsequent sections

Amend the title as follows:

Page 1, line 4, strike "253.201 ;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2100: A bill for an act relating to insurance; defining persons entitled to participate in the assigned claims plan for motor vehicle injuries; amending Minnesota Statutes 1974, Section 65B.64, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2291: A bill for an act relating to insurance; revising financial requirements for certain insurance companies; amending Minnesota Statutes 1974, Section 60A.07, Subdivisions 5a, 5b, 5c and 5d.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "be" insert "*initially*"

Page 1, line 21, strike "*continuously*" and insert "*constantly*"

Page 1, line 22, after "*after*" insert "*initial*"

Page 6, line 10, strike "*1982*" and insert "*1983*"

Page 6, line 14, strike "*1982*" and insert "*1983*"

Page 6, line 18, strike "*1982*" and insert "*1983*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2174: A bill for an act relating to intoxicating liquor; importation of limited quantities without payment of tax; amending Minnesota Statutes 1974, Section 340.601.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 7, add a section to read:

"Sec. 2. *This act takes effect on June 1, 1976.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2328: A bill for an act relating to insurance; eliminating certain abstracting and publishing requirements for financial statements of fraternal beneficiary associations and reciprocal or interinsurance exchanges; amending Minnesota Statutes 1974, Sections 60A.13, Subdivision 7; and 60A.14, Subdivision 1; repealing Minnesota Statutes 1974, Section 60A.13, Subdivisions 3 and 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 6, strike "*1975*" and insert "*1976*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1780: A bill for an act relating to credit unions; allowing credit unions to permit draft withdrawals by their members; amending Minnesota Statutes 1974, Section 52.04.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2267: A bill for an act relating to economic development; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike "\$100,000" and insert "\$150,000"

Page 1, line 7, after "for" strike "tourism matching grants" and insert "the year ending June 30, 1977. The appropriation in this section is in addition to the sum already appropriated in Laws 1975, Chapter 204, Section 44, Subdivision 3 for the same year"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2370: A bill for an act relating to loan guaranties; requiring notice to guarantor of extent of liability.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "up to the amount" and insert "according to the terms"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J., from the Committee on Taxes and Tax Laws, to which was re-referred

S. F. No. 2210: A bill for an act relating to Red River watershed; authorizing watershed districts which are members of the lower Red River watershed management board to levy a tax; authorizing the management board to institute certain projects; allowing the board to enter certain intergovernmental agreements.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2377: A bill for an act relating to public welfare; mental health; allocating fees for services collected by mental health centers.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, after "1." insert "Minnesota Statutes 1974, Chapter 245, is amended by adding a section to read:

[245.696] "

Page 1, line 22, strike "an"

Page 1, line 22, strike "sum" and insert "fees"

Page 2, line 6, after "center" insert "*from the state which is*"

Underline all new language in the bill

Amend the title as follows:

Page 1, line 4, after "centers" and before the period insert: "; amending Minnesota Statutes 1974, Chapter 245, by adding a section "

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1615: A bill for an act relating to natural resources; prohibiting, except in national emergencies, the leasing of state minerals and the use of state natural resources in connection with mining in the boundary waters canoe area.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [84.523] [DEFINITIONS.] Subdivision 1. For purposes of sections 1 and 2, the following terms have the meanings given them in this section.

Subd. 2. "Boundary waters canoe area" means that area of lands and waters included within the boundaries designated in federal regulation REG U-3, 36 Code of Federal Regulations 293.16, as that regulation provided on January 1, 1975.

Subd. 3. "Natural resources" has the meaning given it in section 116B.02, subdivision 4.

Subd. 4. "Degradation" means any conduct which materially adversely affects or is likely to materially adversely affect the environment.

Sec. 2. [85.524] [UNLAWFUL ACTS.] Subdivision 1. [MIN-

ING ACTIVITIES AND PEAT HARVESTING PROHIBITED IN B.W.C.A.] Except pursuant to sections 2 to 5 in those cases of national emergency which have been declared by the Congress and which direct the need for exploration and mining of, or for the exploitation of peat deposits on, federal lands within the boundary waters canoe area, no state owned or administered land may be leased for exploration or mining of minerals, or for purpose of harvesting peat, and no state permits, licenses or leases shall be issued to use any other state natural resources for any mineral exploration or mining operations, or for peat harvesting operations, in the boundary waters canoe area.

Subd. 2. [RESOURCE DEGRADATION PROHIBITED.] No agency or political subdivision shall grant approval or issue any rule, regulation, permit or license authorizing or allowing the commercial development, exploitation or removal of a natural resource located outside the boundary waters canoe area by mining, peat harvesting or related activities which would result in degradation of a natural resource within the boundary waters canoe area.

Sec. 3. [1.0454] [NATIONAL EMERGENCY.] In the event of a national emergency declared by Congress, all other similar natural resources within the state shall be exhausted before any commercial development, exploitation, removal or adulteration by mining, peat harvesting or related activities of a natural resource may occur within the boundary waters canoe area.

Sec. 4. [1.0455] [INVESTIGATION AND DETERMINATION.] In the event of a national emergency declared by Congress which requires, for the protection of national interests, exploitation of natural resources of the type found in the boundary waters canoe area, the commissioner of natural resources shall investigate and determine if there are reasonable alternative methods for providing the needed resources. If the investigation shows there are reasonable alternatives to exploitation of natural resources in the area, no permit for development shall be issued. If the commissioner of natural resources determines there is a need to provide resources from within the boundary waters canoe area, and that there is no reasonable alternative available to meet the need, a permit may be issued upon approval by the state legislature.

Sec. 5. [EFFECTIVE DATE.] This act is effective the day after its final enactment."

Further amend the title as follows:

Line 3, strike "the leasing of state" and insert "certain activities in the boundary waters canoe area; prohibiting certain activities outside the boundary waters canoe area which cause degradation of a natural resource within the boundary waters canoe area."

Strike lines 4 to 6.

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1456: A bill for an act relating to soil and water conservation; providing for the operation of the soil and water conservation commission; amending Minnesota Statutes 1974, Sections 40.03, Subdivisions 1 and 4; and 40.06, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 8 to 23 and insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 40.03, Subdivision 1, is amended to read:

40.03 [SOIL AND WATER CONSERVATION COMMISSION.] Subdivision 1. [MEMBERS.] There is hereby established, to serve as an agency within the department of natural resources and to perform the functions conferred upon it in this chapter, the state soil and water conservation commission to be composed of 11 members, seven of whom shall be elected supervisors of soil and water conservation districts selected as herein provided. Four members thereof shall be ex officio members composed of the following: The director of the agricultural extension service of the University of Minnesota; the dean of the institute of agriculture of the University of Minnesota; the director of the pollution control agency; the commissioner of agriculture. ~~The director of the agricultural extension service~~ *Each ex officio member may designate the associate director of the agricultural extension service a person within his organization to act in his stead as a member of the commission, with all his rights and privileges. The designation shall be filed with the secretary of state. Similarly, the dean of the institute of agriculture may designate the associate dean of the institute of agriculture to act in his stead, with all his rights and privileges. This designation also shall be filed with the secretary of state.* The commission shall invite the state conservationist of the United States soil conservation service to serve as an advisory member. The commission may also invite a representative of the state association of soil and water conservation districts, the association of Minnesota counties, the league of municipalities and such other organizations and governmental agencies as may be deemed necessary to serve as advisory members. The other seven members of said commission shall be appointed by the governor from nominees who are elected representatives of the state soil and water conservation districts, recommended by the state association of soil and water conservation district supervisors submitted to the governor, and in the event of a failure to submit such nominees to the governor he shall make the necessary appointments from present or past supervisors of soil and water conservation districts. One member shall be appointed from each department of natural resources region except that two members shall be appointed from region number one. The four members heretofore appointed shall serve for the balance of the terms for which they were appointed. The fifth, *sixth and seventh member members* shall be appointed for a ~~term~~ *terms* of five years. Thereafter as

vacancies occur all appointments shall be made for terms of five years. The commission shall keep a record of its official actions, and may perform such acts, hold such public hearings, and promulgate such rules and regulations as may be necessary for the execution of its functions under this chapter. The commission shall be responsible to the commissioner of natural resources and shall continue to exercise all powers and duties as conferred upon it by law."

Page 2, strike lines 1 through 32

Page 3, strike lines 1 through 6

Page 3, after line 6, insert:

"Sec. 2. Minnesota Statutes 1974, Section 40.03, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYEES.] ~~The state soil and water conservation commission may employ, with the approval of the commissioner of natural resources, an administrative officer in the unclassified service and such technical experts and such other agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties, and compensation. The department of natural resources shall provide administrative functions of Minnesota Statutes, Section 40.03. The commissioner of natural resources shall make available by separate budget to the state soil and water conservation commission such staff services, funds for operation, and office space as are necessary for the administration and coordination of its functions. The commission shall be responsible to the commissioner for reporting purposes in regard to staff functions and those operations as they relate to department activities.~~

*The commissioner of natural resources shall, subject to approval of the state soil and water conservation commission, provide an administrative officer and such technical experts and such other agents and employees, permanent and temporary, as it may require in carrying out Minnesota Statutes, Section 40.03, and shall determine their qualifications and duties, and recommend compensation to the commissioner of personnel. The commission may call upon the attorney general for such legal services as it may require. It shall have authority to prescribe the powers and duties of its officers and employees, and to delegate to its chairman or to one or more of its other officers or members or administrative officer such of its own powers and duties as it may deem proper. The administrative officer shall serve at the pleasure of the commissioner and may be dismissed only upon the advice and recommendation of the commission. All other personnel of the commission shall be transferred to the department of natural resources and shall be in the classified service of the state. The administrative officer is responsible to the commission and may be dismissed by the commissioner of natural resources only upon the advice and recommendation of the commission. All permanent personnel of the commission are employees of the department of natural resources and are in the classified service of the state except as otherwise required by statute. All rights, duties and responsibilities*

ties of the existing staff of the commission on November 12, 1971 shall remain unchanged except as may be agreed upon by the commission and the commissioner. Upon request of the commission, for the purpose of carrying out any of its functions, the supervising officer of any state agency, or of any state institution of learning, shall, insofar as may be possible under available appropriations, and having due regard to the needs of the agency to which the request is directed, assign or detail to the commission members of the staff or personnel of the agency or institution of learning, and make such special reports, surveys, or studies as the commission may request."

Page 3, after line 12, insert

*"(1) Prepare and present to the commissioner of the department of natural resources a budget to finance the activities of the commission and the districts and to administer any law appropriating funds to districts."*

Page 3, line 13, strike "(1)" and insert "(2)"

Page 3, line 27, strike "(2)" and insert "(3)"

Page 4, line 1, strike "(3)" and insert "(4)"

Page 4, after line 3, insert:

*"(5) Approve or disapprove the plans or programs of districts as they relate to the use of state funds as administered by the commission;"*

Page 4, line 4, strike "(4)" and insert "(6)"

Page 4, line 7, strike "(5)" and insert "(7)"

Page 4, line 12, strike "(6)" and insert "(8)"

Page 5, line 7, strike "1975" and insert "1976"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, strike "1974, Sections" and insert ", 1975 Supplement, Section"

Page 1, line 5, strike "Subdivisions" and insert "Subdivision"

Page 1, line 5, before "and" insert "; Minnesota Statutes 1974, Sections 40.03, Subdivision 2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 1675: A bill for an act relating to public indebtedness; revising and clarifying provisions as to manner of sale and execution of obligations; maximum interest rates; designation of paying agents; cremation of obligations; use of investment

income from proceeds; administration of debt service funds; re-funding; method of payment and interest rate on special assessments and obligations payable from special assessments; amending Minnesota Statutes 1974, Sections 48.15, by adding a subdivision; 138.17, Subdivision 1; 429.061, Subdivision 2; 429.091, Subdivisions 1, 3 and 4; 475.51, Subdivision 6; 475.55; 475.553, Subdivisions 1 and 2; 475.60, Subdivisions 2 and 3; 475.65; 475.66; and 475.67, Subdivisions 7 and 12; and repealing Minnesota Statutes 1974, Section 475.553, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 8, insert:

“Sec. 2. Minnesota Statutes 1974, Section 475.51, is amended by adding a subdivision to read:

*Subd. 11. “Reporting dealer to the federal reserve bank of New York” means a securities broker-dealer licensed pursuant to chapter 80A, or an affiliate thereof, which makes primary markets in United States government securities and reports daily to the federal reserve bank of New York its position with respect to such securities held by it and amounts borrowed thereon.*

Sec. 3. Minnesota Statutes 1974, Section 475.52, Subdivision 1, is amended to read:

475.52 [BOND ISSUES; PURPOSES.] Subdivision 1. [STATUTORY CITIES.] ~~Any city not governed by a home rule charter, or~~ Any statutory city may issue bonds or other obligations for the acquisition or betterment of public buildings, means of garbage disposal, hospitals, nursing homes, homes for the aged, schools, libraries, museums, art galleries, parks, playgrounds, stadia, sewers, sewage disposal plants, subways, streets, sidewalks; for any utility or other public convenience from which a revenue is or may be derived; for a permanent improvement revolving fund; for changing, controlling or bridging streams and other waterways; for the acquisition and betterment of bridges and roads within two miles of the corporate limits; and for acquisition of equipment for snow removal, street construction and maintenance, or fire fighting. Without limitation by the foregoing ~~any such~~ the city may issue bonds to provide money for any authorized corporate purpose except current expenses.”

Page 2, lines 16 through 21, strike the new language and reinstate the stricken language.

Page 3, line 12, strike “or”

Page 3, line 13, strike “limiting interest rates upon public offering,”

Page 5, after line 3, insert:

“Sec. 7. Minnesota Statutes 1974, Section 475.553, Subdivision 3, is amended to read:

Subd. 3. ~~Cremation~~ Certificates provided under subdivision 2

shall be retained in the official records of the municipality and the paying agent. Such ~~ereination~~ certificates may subsequently be destroyed at the times and upon the conditions otherwise permitted by law, but no earlier than the time of final payment and redemption of all obligations of the respective issues to which they pertain.

Sec. 8. Minnesota Statutes 1974, Section 475.553, Subdivision 5, is amended to read:

Subd. 5. Any obligation, as defined in section 475.51, issued or to be issued by the state or any agency, instrumentality, or subdivision thereof, by written order and agreement executed by the officer or officers authorized by law to issue such obligations, may be ~~ereimated~~ *destroyed* as provided herein, and for this purpose such officers shall have all the powers granted herein to governing bodies of municipalities. The state auditor, pursuant to the administrative procedures act, may formulate and prescribe requirements for resolutions, orders, agreements, and certificates relating to the ~~ereimation~~ *destruction* of public obligations and coupons. The provisions of any other law relating to the destruction of public records shall not apply to the ~~ereimation~~ *destruction* of obligations and coupons."

Page 6, line 5, after "*municipality*" insert "*in the presence of an official of the municipality*"

Page 6, after line 19, insert:

"Sec. 11. Minnesota Statutes 1974, Section 475.61, Subdivision 5, is amended to read:

Subd. 5. When all conditions exist precedent to the ~~issuance~~ *offering for sale* of obligations of any municipality in any amount for any purpose authorized by law, and the municipality has applied for a grant or loan of state or federal funds to aid in payment of cost incurred for the authorized purpose, its governing body may by resolution issue and sell temporary obligations not exceeding the total amount authorized, maturing within not more than three years from the date such obligations are issued. In this event *so much of* the proceeds of the grant or loan when received shall be ~~irrevocably appropriated~~ *credited* to the ~~sinking debt service~~ *fund* for the temporary obligations *as may be needed for the payment thereof, with interest, when due, and the estimated amount thereof may be deducted from the tax which would otherwise be required by subdivision 1 to need not be levied.* Any amount of the temporary obligations which cannot be paid at maturity, from the proceeds of the grant or loan or from any other funds appropriated by the governing body for the purpose, shall be paid from the proceeds of definitive obligation to be issued and sold before the maturity date; or if sufficient funds are not available for payment in full of the temporary obligations at maturity, the holders thereof shall have the right to require the issuance in exchange therefor of definitive obligations secured in the manner provided in subdivision 1 and bearing interest at the maximum rate permitted by law."

Page 8, line 28, strike "*qualified as provided*" and insert "*or dealer referred to in subdivision 2*"

Page 8, line 29, strike "*below*"

Page 9, line 15 after "\$10,000,000" insert "*or a reporting dealer to the federal reserve bank of New York*"

Page 12, after line 16, insert:

"Sec. 16. Minnesota Statutes 1974, Section 471.56, Subdivision 1, is amended to read:

471.56 [MUNICIPAL FUNDS.] Subdivision 1. Any municipal funds, not presently needed for other purposes, may be *deposited or invested in any obligations in which sinking funds are now authorized to be invested pursuant to the manner and subject to the conditions provided in section 475.66, including appreciation bonds issued by the United States of America on a discount basis for the deposit and investment of debt service funds. Municipal funds may also be deposited in time deposits of any state or national bank subject to the limitations and requirements of chapter 118.* The term "municipal funds" as used herein shall include all general, special, permanent, trust, and other funds, regardless of source or purpose, held or administered by any county or city, or by any officer or agency thereof, in the state of Minnesota.

Sec. 17. Minnesota Statutes 1974, Section 471.56, Subdivision 3, is amended to read:

Subd. 3. Such county, city, or official or agency thereof, may at any time sell ~~such~~ obligations purchased pursuant to this section, and the money received from such sale, and the interest and profits or loss on such investment shall be credited or charged, as the case may be, to the fund from which the investment was made. Neither such official nor agency, nor any other official responsible for the custody of such funds shall be personally liable for any loss so sustained *from the deposit or investment of funds in accordance with the provisions of section 475.66. Any such obligation may be deposited for safekeeping with any bank or trust company.*"

Pages 14 to 16 strike all of section 12 and insert:

"Sec. 19. Minnesota Statutes 1974, Section 429.091, Subdivision 1, is amended to read:

429.091 [FINANCING.] Subdivision 1. [AUTHORITY.] At any time after a contract for the construction of all or part of an improvement has been entered into or the work has been ordered done without a contract as authorized in section 429.041 one or more improvements are ordered as contemplated in section 429.031, the council may issue obligations in such amount as it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making ~~an~~ *the* improvement or improvements, including every item of cost ~~from inception to completion~~ and all fees and expenses incurred in connection with

the improvement or the financing thereof. More than one improvement may be financed by a single issue of obligations without other consolidation of the proceedings of the kinds authorized in section 475.65. In the event of any omission, error, or mistake in any of the proceedings required precedent to the ordering of any improvement, the validity of the obligations shall not be affected thereby. The council shall cause all further actions and proceedings to be taken with due diligence that are required for the construction of each improvement financed wholly or partly from the proceeds of obligations issued hereunder, and for the final and valid levy of special assessments and the appropriation of any other funds needed to pay the obligations and interest thereon when due."

Page 18, line 17, reinstate the stricken language, "solely to defray expenses of"

Page 18, line 18, after the stricken "improvement" insert "*such improvements*"

Page 18, line 18, reinstate the stricken "and payment of principal and interest due upon"

Page 18, line 19, restore the stricken "the obligations"

Page 18, line 19, after the stricken "until" insert "*prior to*" and reinstate the stricken "completion and payment of all costs of"

Page 18, line 20, at the beginning of the line, reinstate the stricken "the"

Page 18, line 20, after the stricken "improvement" insert "*improvements so financed*" and reinstate the stricken period

Page 18, line 21, reinstate the stricken "any balance of the proceeds of bonds remaining therein" and capitalize "any"

Page 18, line 22, reinstate the stricken "may be"

Page 18, line 22, after the stricken "fund", insert "*used to pay the cost, in whole or in part,*"

Page 18, line 22, reinstate the stricken "of any other"

Page 18, line 23, reinstate the stricken "improvement instituted pursuant to this chapter"

Page 21, after line 11, insert:

"Sec. 23. Minnesota Statutes 1974, Section 124.05, Subdivision 3, is amended to read:

Subd. 3. When the board, ~~by unanimous resolution,~~ deems it advisable, it may ~~invest~~ *authorize the investment or deposit of* such amount of funds as will not in the opinion of the board be currently needed by the district in ~~any of the bonds of any county, city, town, school district, drainage or other district created pursuant to law for public purposes in Minnesota, Iowa, Wisconsin, and North and South Dakota, or in U.S. treasury bonds with maturity date not to exceed five years from the time~~

of purchase, or in securities issued by the following agencies of the United States, maturing not to exceed five years from the time of purchase: Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, and the Federal National Mortgage Association; or in U. S. Treasury Bills, U. S. Certificates of Indebtedness, or U. S. Treasury Notes. The board may also invest such amount of funds as in its opinion may not be currently needed in Certificates of Deposit of any state or national bank, provided the bank shall deposit a bond to the district, executed by a corporate surety company equal to the amount of the Certificate of Deposit or, in lieu of such bond, shall assign to the school district collateral securities for deposits in accordance with Minnesota Statutes 1961, Section 118.01 to the extent such certificates of deposit may not be insured under the provisions of Minnesota Statutes 1961, Section 118.10, and any acts amendatory thereof the manner and subject to the conditions provided in section 475.66 for the deposit and investment of debt service funds.

Sec. 24. Minnesota Statutes 1974, Section 124.05, Subdivision 4, is amended to read:

Subd. 4. Any board investing funds in such authorized securities shall deposit such securities for safekeeping with the county treasurer of the county wherein such the district is located or with any bank maintaining a safekeeping department. Such county treasurer or bank shall give a receipt for each and all of such securities to the board, and such county treasurer or bank shall keep such securities for safekeeping until such time as the board shall adopt a resolution requesting the county treasurer or bank to turn such securities or any of them over to the treasurer of such district or dealer qualified as provided in section 475.66."

Renumber the sections in sequence

Page 21, line 25, strike "is" and insert "and Minnesota Statutes, 1975 Supplement, Section 471.561, are"

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to public indebtedness; revising and clarifying provisions as to manner of sale and execution of obligations; designation of paying agents; cremation of obligations; payment of grant anticipation certificates; use of investment income from proceeds; administration of debt service funds; refunding; method of payment and interest rate on special assessments and obligations payable from special assessments; amending Minnesota Statutes 1974, Sections 48.15, by adding a subdivision; 124.05, Subdivision 3 and 4; 138.17, Subdivision 1; 429.061, Subdivision 2; 429.091, Subdivisions 1, 3, and 4; 471.56, Subdivisions 1 and 3; 475.51, Subdivision 6, and adding a subdivision; 475.52, Subdivision 1; 475.55; 475.553, Subdivisions 1, 2, 3, and 5; 475.60, Subdivisions 2 and 3; 475.61, Subdivision 5; 475.65; 475.66; and 475.67, Subdivisions 7 and 12; and repealing Minnesota Statutes 1974, Section 475.553, Subdivision 4, and Minnesota Statutes, 1975 Supplement, Section 471.561."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2255: A bill for an act relating to handicapped persons; authorizing a feasibility study for the establishment of a rehabilitation center and residence for certain handicapped persons; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "feasibility"

Page 1, line 10, strike "as"

Page 1, line 10, strike "the establishment" and insert "determine the feasibility of establishing"

Page 1, line 10, after "Southwest" insert "state"

Page 1, line 11, strike "of"

Page 1, line 13, strike "in an" and insert a period

Page 1, strike lines 14 and 15

Page 1, line 16, strike the colon

Page 1, line 16, strike "such a" and insert "the"

Page 2, line 1, after the semicolon insert "and"

Page 2, line 1, after "Southwest" insert "state"

Page 2, line 2, strike the comma and insert a period

Page 2, strike lines 3 to 9

Page 2, line 12, after "age" insert "who live"

Page 2, line 12, strike "requiring" and insert "and who require"

Page 2, line 14, strike "capacity and"

Page 2, line 14, strike "for rehabilitation"

Page 2, line 15, strike "residential use"

Page 2, line 15, after "halls" and before the semicolon insert "as residences for the handicapped"

Page 2, line 16, after "The" insert "licensing and certification"

Page 2, line 16, strike "as to" and insert a semicolon

Page 2, strike line 17

Page 2, line 20, after "persons" insert a comma

Page 2, line 25, strike "as to" and insert "of"

Page 2, line 26, after "of" insert "available"

Page 2, line 26, strike "for the facilities," and insert a semicolon

Page 2, strike lines 27 and 28

Page 2, line 29, strike "the merits of various" and insert "alternative"

Page 2, line 31, after "of" insert "program"

Page 2, line 32, strike "of the program"

Page 3, line 1, after "of" and before "evaluation" insert "program"

Page 3, line 1, strike "of program progress and" and insert a period

Page 3, strike line 2

Page 3, line 8, strike "given" and insert "presented"

Page 3, line 9, after "legislature" and before the period insert "by January 1, 1978"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was re-referred

S. F. No. 2387: A bill for an act relating to Independent School Districts No. 110, No. 278, No. 535, No. 341, and No. 173 and Special School District No. 1; allowing the school districts to provide certain items for nonpublic school children.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike line 9 and insert "all school districts"

Page 1, line 10, strike "341, and No. 173 and Special School District No. 1"

Page 1, line 13, strike "any items" and insert "instructional materials"

Page 1, line 16, strike "department" and insert "board"

Strike section 2 and insert:

"Sec. 2. This act shall be effective the day following final enactment."

Further, amend the title as follows:

Page 1, line 2, strike "Independent School Districts No. 110,"

Page 1, strike line 3

Page 1, line 4, strike "School District No. 1" and insert "education"

Page 1, line 4, strike "allowing the" and insert "requiring"

Page 1, line 5, strike "certain items" and insert "instructional materials"

Page 1, line 5, after "for" insert "certain"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1935: A bill for an act relating to education; environmental curriculum; providing for the inclusion of food production studies as part of environmental education; amending Minnesota Statutes 1974, Section 126.111.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, after "*materials*" insert "*and instructional approaches*"

Page 1, line 19, strike "*any*"

Page 1, line 20, strike "*program*" and insert "*programs*"

Page 1, line 21, after "*include*" insert "*an appropriate*"

Page 1, line 22, strike "*studies*" and insert "*focus*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2384: A bill for an act relating to education; school districts; state aids; providing for aid to school districts increasing their levy pursuant to referendum.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "one-half of"

Page 1, line 14, after "referendum" insert "; provided that no district shall in any year receive an amount greater than \$100,000 pursuant to this section"

Page 1, after line 14 insert:

"Sec. 2. There is appropriated from the general fund of the state treasury to the department of education the sum of \$..... for the fiscal year ending June 30, 1977."

Further, amend the title as follows:

Page 1, line 4, after "referendum" insert "; appropriating money"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2375: A bill for an act relating to education; right to read program; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "solely"

Page 1, line 9, strike "for" and insert "by"

Page 1, line 9, after "program" insert "to promote reading and writing skills of Minnesota residents"

Page 1, line 10, after "provide" insert "technical assistance on a regional basis"

Page 1, line 12, strike ", on a regional basis," and insert a period

Page 1, line 13, strike "technical assistance"

Page 1, line 13, after "members" insert "shall be employed for this purpose"

Page 1, line 13, after the period insert: "To coincide with the revised criteria adopted by the right to read program, and inservice training program for the 11 staff members will be implemented. This will be organized and maintained jointly by the division of instruction and the division of special and compensatory education."

Page 1, line 15, after "educational" insert "cooperative"

Page 1, line 15, strike "area" and insert "unit"

Page 1, line 16, strike "such" and insert "one"

Page 1, line 16, strike the comma and insert a period

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2351: A bill for an act relating to education; requiring school districts to engage in planning, evaluation and reporting; establishing an office of planning assistance for public elementary and secondary school districts; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [DEFINITION.] "Evaluation" means the process of identifying, collecting, analyzing, quantifying, and reporting information that can be used as a basis for judgments in decision-based situations.

Sec. 2. [POLICY.] Educational evaluation services that include educational measurement are needed by school districts to provide useful information to decision-makers, including school

boards, superintendents, school personnel, parents, students, the local community, and the legislature.

Sec. 3. For the purposes of this act, each school board shall evaluate by appropriate means the progress of its students. In addition, the school board shall include in the final evaluation the opinions of students, parents, and other residents of the community served by the school. Each year a final professional staff evaluation of progress shall be conducted which shall utilize test results and other performance data as well as faculty interpretation and judgments.

Sec. 4. Evaluation may include, but not be limited to, assessments in basic skill programs such as reading, mathematics, language arts, social studies, and science. It may also include evaluation reports of special federal, state, or local projects; evaluation reports related to curriculum review and development needs; individual student and classroom evaluation reports to be used in determining immediate needs in basic skill areas; evaluation reports to assist in the distribution of supportive services; and collection and maintenance of census data to insure a stable base for projecting school programs and building needs.

Sec. 5. An educational cooperative service unit is encouraged to provide technical assistance in the development of an evaluation plan to any district which requests its assistance.

Sec. 6. School boards shall file the results of their evaluations with the state department of education each year.

Sec. 7. [FINANCING.] The state shall reimburse each school district one dollar per year for each student evaluated, upon receipt of the school district's report; provided that no district which files a report shall receive less than \$1,000 pursuant to this section.

Sec. 8. [APPROPRIATION.] There is appropriated from the general fund of the state treasury to the department of education for the year ending June 30, 1977 the sum of \$1,400,000 for the purposes of section 7 of this act."

Further, amend the title by striking it in its entirety and inserting the following:

"A bill for an act relating to education; encouraging school districts to engage in evaluations of their students and to report the results; reimbursing school districts for these evaluations; appropriating money."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 664: A bill for an act relating to education; school districts; severance pay; authorizing matching funds; appropriating money; amending Minnesota Statutes 1974, Section 465.72.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 465.72, is amended to read:

465.72 [SEVERANCE PAY.] ~~Except as may otherwise be provided in Laws 1959, Chapter 600, as amended, All counties, cities and townships and school districts are hereby authorized and empowered to pay severance pay to all of its employees and to establish, prescribe and promulgate provisions, rules and regulations for the payment of such severance pay upon leaving employment prior to the normal retirement date. Such severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits, and shall be paid over a period not to exceed five years from termination of employment. In the event that a terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due shall be paid to a named beneficiary or, lacking same, to the deceased's estate. In no event shall severance pay provided exceed 100 working days' pay for an employee leaving employment exceed an amount equivalent to 100 days pay.~~

Sec. 2. *Subdivision 1. As used in this section, "teacher" means an employee employed by a public school district as an elementary or secondary classroom teacher or as an administrator in a position with a salary not exceeding that of an elementary or secondary school principal in that district.*

*Subd. 2. A teacher who meets the minimum service requirements of Minnesota Statutes, Section 354.44, Subdivision 1, and who has been employed for not less than 10 years immediately preceding application by one independent or special school district, who is at least 55 years of age, shall be eligible for severance pay, pursuant to sections 2 to 6, upon submission of a written resignation accepted by the school board.*

*Subd. 3. School districts are hereby authorized and empowered to pay severance pay to all eligible teachers, upon early retirement, an amount representing five days of pay for each full year of full time service, but not to exceed a total of 50 days of pay, subject to the proration formula by age as provided in section 4.*

*Subd. 4. In addition to the severance pay provided in subdivision 3, a teacher shall be eligible to receive as severance pay upon retirement, the amount obtained by multiplying 30 percent of unused number of sick leave days, not to exceed 50, times that teacher's daily rate of pay, subject to the proration formula by age as provided in section 4.*

Sec. 3. [DAILY RATE OF PAY.] *In applying these provisions, a teacher's daily rate of pay shall be that teacher's daily rate at the time of retirement, as provided in the basic salary schedule for the basic school year, and shall not include any additional compensation for extracurricular activities, extended employment or other extra compensation.*

**Sec. 4. [ELIGIBILITY.]** *A teacher shall be eligible for severance pay as defined and limited in section 2 according to the following schedule relating to the employee's age at the end of the school year in which early retirement occurs:*

<i>Age</i>	<i>Percent</i>
55	100
56	95
57	90
58	85
59	80
60	75
61	65
62	50
63	35
64	20
65	0

**Sec. 5. [BENEFIT COVERAGE.]** *Teachers who apply for early retirement shall be eligible to receive all retirement benefits, and all benefits allowed to any full time teacher employed by the school district. Such benefits shall include, but are not limited to, existing group health and hospitalization insurance programs. In addition, teachers who apply for early retirement shall remain eligible for school board contribution toward single group health and hospitalization coverage. An eligible teacher under the provisions of this act who desires family coverage may obtain this coverage by paying 100 percent of the additional dependent's premium.*

**Sec. 6. [PAYMENTS.]** *Severance pay shall be paid annually by the school district in two equal installments, on the July and January payrolls, based upon the effective date of retirement. Severance pay shall not be granted to any teacher who is discharged by the school district.*

**Sec. 7. [EFFECTIVE DATE.]** *This act is effective the day following final enactment and shall apply to teachers who retire at the conclusion of the 1975-76 school year and shall not be retroactive to any teacher who had retired prior to March 1, 1976."*

Further, amend the title as follows:

Page 1, line 3, strike "authorizing matching funds; appropriating"

Page 1, line 4, strike "money;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was re-referred

S. F. No. 1991: A bill for an act relating to education; pro-

viding for loans to medical students on certain conditions; amending Minnesota Statutes, 1975 Supplement, Section 147.30.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, strike "commission" and insert "board"

Page 2, lines 4, 14, 18 and 24, strike "commission" and insert "board"

Page 2, line 11, strike the new language and reinstate the stricken language

Page 2, line 14, after "commission" insert "*; provided further that if a student received a loan pursuant to this section prior to June 1, 1975, the obligation to repay the principal and interest on any such loan made before or after that date shall be forgiven if the recipient has practiced medicine or osteopathy for three years in an area in need of medical doctors or osteopaths as designated by the higher education coordinating board*"

Page 2, line 19, reinstate the stricken language

Page 2, line 20, strike "\$6,000"

Page 2, line 23, strike the new language and reinstate the stricken language

Page 2, line 24, after the period insert "*However, if a student received a loan pursuant to this section prior to June 1, 1975, assistance to that student may be granted in the amount that the board determines sufficient for the purpose specified in this section but not to exceed \$6,000 per year or \$24,000 in aggregate principal amount.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2194: A bill for an act relating to education; transportation of children; requiring the installation of intercommunication systems in school buses.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2225: A bill for an act relating to medical assistance for the needy; establishing guidelines for reimbursement of medical services furnished by nursing homes; prescribing certain responsibilities for the department of public welfare.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [256B.41] [POLICY; INTENT.] Subdivision 1. The state agency shall by rule establish a formula for the reimbursement of nursing homes which qualify as vendors of medical assistance.

Subd. 2. It is the intent of the legislature to establish certain limitations on the state agency in setting standards for the reimbursement of nursing homes for the care of recipients of medical assistance pursuant to Minnesota Statutes, Chapter 256B. It is not the intent of the legislature to repeal or change any existing or future rule promulgated by the state agency relating to the reimbursement of nursing homes unless the rule is clearly in conflict with sections 1 to 6 of this act. If any provision of sections 1 to 6 of this act is determined by the United States government to be in conflict with existing or future requirements of the United States government with respect to medical assistance, the federal requirements shall prevail.

Sec. 2. [256B.42] [INTEREST EXPENSE.] The state agency shall not reimburse any nursing home, other than a nursing home owned by a federal, state or local unit of government, for any interest expense. The state agency may by rule provide for the reimbursement of governmentally owned nursing homes for the costs of interest on capital indebtedness.

Sec. 3. [256B.43] [DEPRECIATION.] Subdivision 1. The state agency shall by rule establish a depreciation allowance for nursing homes purchased on or after March 1, 1976. The depreciation allowance shall be based on the lesser of the purchase price or the appraised value of the facility at the time of the purchase. After the purchase of a nursing home, the purchaser of the nursing home or the state agency may request an appraisal of the facility pursuant to the provisions of subdivision 3. The value of the facility determined pursuant to this subdivision shall be the original value and shall be the basis for depreciation.

Subd. 2. If any nursing home expands its facility or makes any other capital expenditures subsequent to March 1, 1976, the cost of the expansion or capital expenditure shall be added to the original value, and the total shall become the new original value and basis for depreciation. If the state agency disputes the cost attributed to the expansion or capital expenditure, it may request an appraisal pursuant to subdivision 3.

Subd. 3. The state agency shall obtain a list of not more than 25 appraisers who have experience in appraising nursing homes. In the event that an appraisal is requested pursuant to this section, or section 4, subdivision 2, the state agency and the owner of the nursing home shall select an appraiser from the list in accordance with procedures established by the state agency by rule. The appraisal shall be based on the replacement cost of the facility. The cost of the appraisal shall be paid by the party requesting it. The cost of an appraisal requested by a nursing home shall not be reimbursed by the state agency.

Subd. 4. For the purposes of sections 3 and 4, "facility" means the building in which a nursing home is located and all permanent fixtures attached to it. "Facility" does not include the land or any supplies and equipment which are not fixtures. "Original value" means the value of the facility established pursuant to subdivision 1. "Accumulated depreciation" means the total depreciation which has been allowed based on the original value.

Sec. 4. [256B.44] [INVESTMENT ALLOWANCE.] Subdivision 1. The state agency shall by rule establish an investment allowance for all nursing homes other than governmentally owned homes. The allowance for proprietary homes shall be \_\_\_\_\_ percent of the original value of the facility for depreciation purposes established pursuant to section 3. The allowance for non-proprietary homes shall be \_\_\_\_\_ percent of the value of the facility. The percentages established by this subdivision shall apply from January 1, 1977, through December 31, 1977. The state agency shall, no later than December 1 of each year, conduct a public hearing pursuant to the rule making provisions of Chapter 15 to determine the percentages to be used in the following calendar year.

Subd. 2. The owner of a nursing home or the state agency may request a new appraisal of the facility not more often than every \_\_\_\_\_ years. If a new appraisal is made, the new appraised value less accumulated depreciation shall become the new basis for that nursing home's investment allowance. The appraiser shall be selected and the appraisal undertaken in accordance with the provisions of section 3, subdivision 3. The basis for reimbursement for depreciation shall continue to be the original value of the facility established pursuant to section 3.

Subd. 3. The \_\_\_\_\_ year period used for the purposes of subdivision 2 shall commence with the date of purchase. The state agency or the owner of any nursing home purchased before March 1, 1976, may request an appraisal on July 1, 1976 or \_\_\_\_\_ years after the date of purchase, whichever occurs last in time.

Subd. 4. If a non-governmentally owned nursing home is operated on a lease basis, the state agency shall not reimburse the operator for any rental fee in excess of the total amount it would pay to the owner of the facility as an investment allowance and depreciation allowance pursuant to sections 3 and 4. If a governmentally owned nursing home is operated on a lease basis, the state agency shall not reimburse the operator for any rental fee in excess of the total amount it would pay as interest expense pursuant to section 2.

Sec. 5. [256B.45] [RATE LIMITS.] Subdivision 1. The state agency shall by rule establish separate limitations on the costs for items which directly relate to the provision of patient care to residents of nursing homes and those which do not directly relate to the provision of care. The limits on patient care related items shall be hourly limits based on the needs of the residents of the nursing home up to maximum limits established by the state agency.

Subd. 2. No reimbursement shall be allowed for (1) political contributions, (2) salaries or expenses of a lobbyist, as defined in section 10A.01, subdivision 11, for lobbying activities, (3) advertising designed to encourage potential residents to select a particular nursing home, (4) assessments levied by the health department for uncorrected violations, (5) legal fees for unsuccessful challenges to decisions by state agencies, and (6) that part of the dues paid to a nursing home or hospital association which is used for any of the purposes listed in items (1) through (5). The state agency shall by rule exclude the costs of any other items which it determines are not directly related to the provision of patient care.

Sec. 6. [256B.46] [CONDITIONS FOR PARTICIPATION.]  
Subdivision 1. No nursing home shall be eligible to receive medical assistance payments unless it agrees in writing that it will refrain from:

(a) Charging nonmedical assistance residents rates for similar services which exceed by more than 10 percent those rates which are approved by the state agency for medical assistance recipients; effective July 1, 1978, no nursing home shall be eligible for medical assistance if it charges nonmedical assistance recipients rates for similar services which exceed those which are approved by the state agency for medical assistance recipients; provided, however, that the nursing home may (1) charge nonmedical assistance residents a higher rate for a private room and (2) may charge for special services which are not included in the daily rate if medical assistance patients are charged separately for the same services in addition to the daily rate paid by the state agency;

(b) Requiring an applicant for admission to the home, or the guardian or conservator of the applicant, as a condition of admission, to pay an admission fee 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; and

(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.

The prohibitions set forth in clause (b) shall not apply to a nonproprietary retirement home which contains an identifiable unit of fewer than 20 percent of the total number of facility beds to provide nursing care to the residents of the home.

Subd. 2. No nursing home shall be eligible to receive medical assistance payments unless it agrees in writing to:

(a) Provide the state agency with its most recent (1) balance sheet and statement of revenues and expenses as audited by the state auditor's office, a certified public accountant licensed by this state or by a public accountant as defined in section 412.222, and (2) statement of ownership for the nursing home, together with a separate balance sheet, statement of revenues and expenses, and ownership for each nursing home if more than one nursing home or other business operation is owned by the same owner;

(b) Provide the state agency with copies of all leases, purchase agreements and other related documents related to the lease or purchase of the nursing home; and

(c) Provide to the state agency upon request copies of leases, purchase agreements, or similar documents for the purchase or acquisition of equipment, goods and services for which reimbursement is requested from the state agency.

Subd. 3. The state agency may reject any annual cost report filed by a nursing home pursuant to Minnesota Statutes, Chapter 256B, if it determines that the report or the information required in subdivision 2, clause (a) has been filed in a form that is incomplete or inaccurate. In the event that a report is rejected pursuant to this subdivision, the state agency may reimburse a nursing home at the rate determined for its prior fiscal year, or at an interim rate established by the state agency, until a complete and accurate report is filed.

Sec. 7. [EFFECTIVE DATE.] Except for section 6, the provisions of this act shall be effective for all cost reports for fiscal years beginning after December 31, 1976. The provisions of section 6 shall be effective January 1, 1977."

Amend the title as follows:

Page 1, line 6, strike "department" and insert "commissioner"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1950: A bill for an act relating to the practice of chiropractic; prohibiting the state and its political subdivisions from discriminating against licensed chiropractors in any manner which would tend to impede their performing and receiving compensation for authorized services; amending Minnesota Statutes 1974, Sections 148.03; and 148.08, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 25, strike "three" and insert "four"

Page 2, line 28, strike "or because of race, creed or sex"

Page 3, line 3, strike "or because of race, creed or sex"

Page 3, line 9, after "or" insert "its"

And when so amended the bill do pass. Mr. Bernhagen questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1895: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money; amending Minnesota Statutes 1974, Section 48.24, Subdivision 5; and Minnesota Statutes 1975 Supplement, Sections 290.01, Subdivision 20; and 290.09, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 12 strike "*governor*" and insert "*commissioner of agriculture*"

Page 4, line 11 strike "*governor*" and insert "*commissioner of agriculture*"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Mr. Berg questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2487: A bill for an act relating to corrections; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 4, after "1." and before "The" insert "Subdivision 1."

Page 1, line 4, after "of" insert "\$"

Page 1, line 4, after "appropriated" strike the period and insert: "to the commissioner of corrections to plan for the construction of a new or renovation of the existing adult maximum security institution at Stillwater for up to 400 persons, and to modify and convert the Minnesota metropolitan training center into a medium-minimum security institution for at least 200 but not more than 400 persons.

Subd. 2. \$ . . . . of this appropriation shall be used for the following purposes:

(a) Development of architectural and engineering plans and working drawings for the new adult maximum security institution, including a determination of the feasibility of utilizing any of the existing buildings on the grounds of the state prison; and

(b) Design of the program and staffing pattern for any new facility.

Subd. 3. For the modification and conversion of the Minnesota

metropolitan training center, \$ . . . . of this appropriation shall be used for basic improvement of the facility, and \$ . . . . shall be used to provide needed security modifications.

Subd. 4. The commissioner of corrections shall determine whether the Minnesota correctional institution for women at Shakopee shall be continued as a correctional facility for women, or utilized for other correctional purposes. If the commissioner shall determine that the facility is of no further practical use as a correctional facility, he is authorized to discontinue its use.

Subd. 5. The commissioner shall also:

(a) Analyze and evaluate the state correctional institution at Sauk Centre, and determine the most beneficial use of the institution as a correctional facility for up to 260 persons.

(b) Maintain the state correctional facility at Red Wing as a facility for 250 juveniles.

(c) Maintain the state reformatory for men at St. Cloud as a medium-maximum facility for up to 600 adults.

(d) Maintain the minimum security facility at Stillwater for up to 80 persons.

(e) Maintain the state facility at Willow River as a minimum security training facility for up to 60 persons.

(f) Analyze and evaluate, in consultation with the commissioner of public welfare, the need for the construction of new facilities or the remodification of the existing institutions at the St. Peter security hospital, the St. Cloud reformatory for men, and the Minnesota metropolitan training center, to provide mental health services to the present and projected institutional population.

Sec. 2. The appropriation in this act shall be immediately available upon final enactment."

Amend the title as follows:

Page 1, line 2, after "corrections;" insert "maximum security institutions; prescribing duties for the commissioner of corrections;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2126: A bill for an act relating to the legislature; establishing a legislative commission on the economic status of women; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [ADVISORY COUNCIL ON THE ECONOMIC

**STATUS OF WOMEN.]** Subdivision 1. An advisory council is hereby created to study and report on the economic status of women in Minnesota.

Subd. 2. The council shall consist of five members of the house of representatives appointed by the speaker, five members of the senate appointed by the committee on committees, and eight citizens appointed by the governor. Members shall serve until the expiration date of this act or until the expiration of their legislative terms. The compensation of non-legislator members, their removal from office and the filling of vacancies shall be as provided in section 15.059.

Subd. 3. The council shall study all matters relating to the economic status of women in Minnesota, including but not limited to matters of credit, family support and inheritance laws relating to economic security of the homemaker, educational opportunities, career counseling, contribution of women to Minnesota's per capita and family income and state revenues, job and promotion opportunities and laws and business practices constituting barriers to the full participation by women in the economy.

Subd. 4. The council shall report its findings and recommendations to the legislature not later than November 15, 1977, and shall supplement its findings and recommendations not later than November 15, 1978.

Subd. 5. The council may hold meetings and hearings at the times and places it designates to accomplish the purposes set forth in this act. It shall annually select a chairman and other officers from its membership as it deems necessary.

Subd. 6. The legislative coordinating commission shall supply the council with necessary staff, office space and administrative services.

Sec. 2. [APPROPRIATION.] There is appropriated from the general fund to the legislative coordinating commission the sum of \$125,000, to pay the expenses incurred by the commission.

Notwithstanding Minnesota Statutes, Section 16A.28, or any other law relating to the lapse of an appropriation, the appropriation made by this section shall not lapse but shall continue until January 15, 1979.

Sec. 3. This act shall be effective July 1, 1976 and shall expire January 15, 1979."

Amend the title as follows:

Page 1, line 2, delete "a"

Page 1, line 3, delete "legislative commission" and insert "an advisory council"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2309: A bill for an act relating to retirement; distribution of state aid to policemen's relief associations; amending Minnesota Statutes 1974, Sections 69.021, Subdivisions 5, 6, and 7; and 69.031, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 12, after line 28, insert:

"Sec. 8. Minnesota Statutes 1974, Section 69.06, is amended to read:

69.06 [SERVICE PENSIONS.] Every fire department relief association organized under any laws of this state when its certificate of incorporation or bylaws so provide may pay out of any funds received from the state, or other source, a service pension in such amount, not exceeding ~~\$40~~ \$80 per month, as hereinafter authorized, or as may be provided by its bylaws, to each of its members who has heretofore retired or may hereafter retire, who has reached or shall hereafter reach the age of 50 years and who has done or hereafter shall do active duty for 20 years or more as a member of a volunteer, paid or partially paid and partially volunteer, fire department in the municipality where the association exists, and who has been or shall hereafter be a member of such fire department relief association at least ten years prior to such retirement and who complies with such additional conditions as to age, service, and membership as may be prescribed by the certificate or bylaws of the association.

The amount of monthly pension which may be paid to such retired firemen may be increased by adding to the maximum above prescribed an amount not exceeding ~~\$2~~ \$4 per month for each year of active duty over 20 years of service before retirement; provided, that no such fire department relief association shall pay to any member thereof a pension in any greater amount than the sum of ~~\$60~~ \$120 per month.

Any such fire department relief association where the majority of its members are volunteer firemen may provide in its certificate of incorporation or bylaws for a service pension in an amount not exceeding ~~\$300~~ \$600 per year of service to be in a lump sum where the retiring member qualifies for a service pension under the provisions hereinbefore set forth.

These pensions shall be uniform in amount, except as herein otherwise provided. No such pension shall be paid to any person while he remains a member of the fire department and no person receiving such pension shall be entitled to other relief from the association. No payments made or to be made by the association to any member on the pension role shall be subject to judgment, garnishment, execution, or other legal process and no person entitled to such payment shall have the right to assign the same, nor shall the association have the authority to recognize any assignment or pay over any sum which has been assigned."

Page 12, line 29, strike "Sec. 8." and insert :

"Sec. 9. *Section 8 shall be effective July 1, 1976.*"

Further, amend the title as follows:

Page 1, line 3, after "associations;" insert "volunteer firemen's lump sum and monthly benefits;"

Page 1, line 6, strike the second "and"

Page 1, line 6, before the period, insert "; and 69.06"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2339: A bill for an act relating to public welfare; specifying services to handicapped persons; defining terms; amending Minnesota Statutes 1974, Section 645.44, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 256.01, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, line 6, after "*disabilities*" insert "*which are not the result of the normal aging process, which*"

Page 6, line 7, strike "*that*"

Page 6, line 8, strike "*that*" and insert "*which*"

Page 6, line 10, strike "*but which are not*" and insert a period

Page 6, strike line 11

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2121: A bill for an act relating to Otter Tail county; permitting Otter Tail county to designate a human services board.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 1974, Section 402.01, Subdivision 1, is amended to read:

402.01 [AGREEMENT.] Subdivision 1. One or more contiguous counties, having an aggregate population of 50,000 or more persons or ~~comprising all the counties within a region designated pursuant to sections 462.381 to 462.396 or chapter 473B, three or more contiguous counties~~ situated within the boundaries of the same region designated pursuant to sections 462.381 to 462.396 or chapter 473B, may, by resolution of their county boards of commissioners, designate a human services board having the composition, powers, and duties provided in sections 402.01 to 402.10."

Page 1, line 5, strike "1" and insert "2"

Page 1, line 5, after "1." insert "*Subdivision 1.*"

Page 1, line 10, strike "Sec." and insert "*Subd.*"

Page 1, line 10, strike "act" and insert "section"

Underline all new language in the bill

Amend the title as follows:

Page 1, line 2, strike "Otter Tail county" and insert "human services"

Page 1, line 2, after the semicolon insert "changing the requirements for counties joining together to form a human services board;"

Page 1, line 3, after "board" and before the period insert "amending Minnesota Statutes 1974, Section 402.01, Subdivision 1"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was re-referred

S. F. No. 2334: A bill for an act relating to public welfare; authorizing the assignment of accident insurance proceeds by any recipient of medical assistance; amending Minnesota Statutes, 1975 Supplement, Sections 256B.02, Subdivision 9; 256B.042, by adding a subdivision; and 256B.06, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike ", 1975 Supplement" and insert "1974"

Page 1, line 10, strike "Subdivision 9,"

Page 1, line 10, after "amended" insert "by adding a subdivision"

Page 1, delete lines 11 to 14 and insert:

*"Subd. 10. "Automobile accident coverage" means any plan, or that portion of a plan, regulated under Chapter 65B, which provides benefits for medical expenses incurred in an automobile accident."*

Page 2, line 32, after "application" strike the parenthesis and insert a comma

Page 3, line 1, strike the parenthesis and insert a comma

Page 3, line 3, strike "such"

Page 3, line 18, after "from" insert "automobile"

Page 3, line 19, strike "insurance policies" and insert "coverage"

Page 3, line 26, after "under" insert "automobile"

Page 3, line 26, after "accident" insert "coverage and"

Page 3, line 27, strike "or"

Page 3, line 27, strike "*and accident*"

Amend the title as follows:

Page 1, line 4, after "amending" insert "Minnesota Statutes 1974, Section 256B.02, by adding a subdivision;"

Page 1, line 6, strike "256B.02, Subdivision 9;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 2096: A bill for an act relating to metropolitan government; changing the metropolitan parks and open space commission to the metropolitan parks, arts and recreation commission and prescribing its powers and duties; authorizing the metropolitan council to issue bonds and levy taxes therefor; authorizing the commission to impose an admissions tax; imposing a transient lodging tax in the metropolitan area; requiring the completion of an environmental impact statement prior to construction of a new sports facility; requiring a certificate of need for regional recreational facilities; amending Minnesota Statutes 1974, Chapter 473, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 473.121, Subdivisions 7 and 14; 473.146, by adding a subdivision; 473.147; 473.301; 473.302; and 473.303, Subdivision 1; repealing Minnesota Statutes 1974, Section 340.11, Subdivision 11a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 8 to 12, strike all of section 3

Renumber sections in sequence

Page 3, strike lines 10 to 15 and insert "*include, to the extent appropriate, any of the statements and descriptions listed in section 473.146, subdivision 1, and the plan shall be adopted following the procedures provided in section 473.146, subdivision 2.*"

Page 3, strike lines 16 to 32

Page 4, strike lines 1 to 9

Page 4, line 10, after "*Subd.*" strike "3" and insert "2"

Page 4, line 13, strike "*commission*" and insert "*council*"

Page 4, line 17, strike "*8 to 16*" and insert "*5 to 17*"

Page 5, after line 30, insert a subdivision to read:

"*Subd. 12. "Debt service fund" means the fund from which are payable the principal and interest on all bonds issued or assumed by the council under sections 8 and 10.*"

Page 6, line 18, after "*recreational facilities*" and before the comma, insert "*, including sports facilities*"

Page 6, line 25, strike "*8 to 16 of this act*" and insert "*5 to 17*"

Page 7, line 7, strike "*SPORTS FACILITIES:*"

Page 7, line 10, after "*including*" strike the comma

Page 7, line 18, before "*purposes*" insert "*sports facility*"

Page 7, line 18, strike "*8 to 16*" and insert "*5 to 17*"

Page 7, strike lines 19 and 20

Page 7, line 21, strike "*street in the city of Minneapolis*"

Page 7, line 24, after "*commission*" insert "*only in connection with the construction of sports and related facilities and*"

Page 8, line 6, before the period, insert "*, subject to the approval by the council of any sale of real property*"

Page 8, line 8, after the period insert "*The proceeds of sale shall be used as directed by the council, to pay the capital cost of sports facilities or to pay bonds issued by the council for that purpose or bonds upon which it is obligated under the provisions of section 8, subdivision 2.*"

Page 9, line 20, strike "*parks,*" and insert "*culture and arts. parks and*"

Page 9, strike lines 21 to 31 and insert:

*"Subd. 12. The commission shall appoint a nine member advisory sports facility building committee with membership as follows: a member representing the commission; a representative of the university of Minnesota; four citizen representatives, three of which shall reside outside of the city of Minneapolis, including a member designated by the project area committee of the Cedar-Riverside redevelopment project area in the city of Minneapolis; and one member of the metropolitan sports area commission from each of the cities, to be chosen by the parks, arts and recreation commission. A representative of each professional athletic team which intends to use the facility shall serve as an ex-officio member of the committee. The"*

Page 10, line 16, strike "*8 to 16*" and insert "*7 to 14*"

Page 10, line 18, strike "*and 4*" and insert "*, 4, and 15,*"

Page 10, line 18, strike "*of this act*"

Page 10, line 23, strike "*commission shall assume*"

Page 10, line 24, before the period, insert "*is transferred to the commission*"

Page 11, line 3, after "*fund*" insert "*and the metropolitan sports area bond sinking fund*"

Page 11, line 13, strike "*section 12*" and insert "*sections 7 to 14*"

Page 11, line 14, strike "for" and insert "with respect to"

Page 11, line 14, before "bonds" insert "general obligation"

Page 11, line 31, strike "by this act"

Page 13, line 1, strike "system" and insert "association"

Page 13, line 7, strike "an" and insert "a matching"

Page 13, line 25, strike "9" and insert "8"

Page 14, line 6, after "475" insert "and this section"

Page 14, line 16, strike "3" and insert "1"

Page 14, line 18, after "acquisition" insert "and betterment"

Page 14, line 18, after "of" insert "a"

Page 14, line 18, after "stadium" insert "seating approximately 65,000 persons"

Page 14, line 20, after "facilities" insert "for approximately 3,000 automobiles"

Page 14, line 20, strike "in"

Page 14, strike lines 21 and 22

Page 14, line 23, strike "1976,"

Page 14, lines 23 and 24, strike "or other funds of the council or the commission"

Page 14, line 25, after "site" insert "or for the construction or installation of a dome over the playing field"

Page 14, line 31, after the semicolon insert "each agreement shall provide for the posting of a bond in the amount of \$5,000,000 to ensure the payment of the obligations of the professional clubs over the life of the agreements,"

Page 14, line 32, after "Acceptance" insert "by the environmental quality council"

Page 15, line 1, before the semicolon, insert "and all necessary permits have been issued by the pollution control agency"

Pages 15 and 16, strike all of clauses (c) to (e) and insert:

"(c) The entire site on which the stadium and parking and ancillary facilities are to be situated lies within three quarters of a mile of the intersection of 12th avenue and 2nd street in the city of Minneapolis; provided that any facilities, constructed with the proceeds of bonds issued under this subdivision, in the area to the east of trunk highway 394 shall be consistent with the city of Minneapolis' plan for the Cedar Riverside urban renewal area;

(d) The commission 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 its

acquisition of title to and possession of the site is conditioned, and to pay all costs of clearing the site of all buildings and other structures, plus any necessary relocation costs;

(e) The commission has acquired title to the site, including all easements and other appurtenances needed for the construction and operation of the stadium, or an order has been entered by a court of competent jurisdiction determining that its taking of the site and appurtenances is necessary and authorized by law and appointing commissioners to assess and award the damages pursuant to section 117.075;

(f) All agreements entered into by the commission are consistent with the purposes of sections 7 to 14, and the council has reviewed plans prepared for the commission in detail sufficient so that the development of final plans and specifications in accordance therewith will assure completion of the project in conformity with said purposes;

(g) The council finds that there are adequate provisions for traffic circulation at the stadium site;

(h) In the considered judgment of the council the proceeds of the bonds will be sufficient to pay the entire cost of the stadium and ancillary facilities, and the revenues that may reasonably be expected to be received from the sources described in section 11, including but not limited to the playing agreements referred to in clause (a) above, and from investment of the construction fund, and from the sale of any part of the existing metropolitan sports area which is no longer needed, will be sufficient to pay all current expenses of operation, administration, and maintenance of the commission's sports facilities, to pay the principal of and interest on all bonds referred to in this subdivision and in section 8, subdivision 2, when due or called for prior redemption, and to accumulate and maintain an adequate bond reserve; and

(i) The council in determining whether the aforementioned items have been satisfied may require of the lessee professional teams any and all relevant corporate fiscal and financial data, including, but not limited to, profit and loss statements, annual audit statements, and balance sheets."

Page 16, line 18, strike the comma and insert "and"

Page 16, line 19, strike "or improvements,"

Page 17, strike lines 25 to 32

Page 18, strike lines 1 to 21, and insert:

"[473.354] [FINANCES.] Subdivision 1. [ADMISSION TAX.] The council may by resolution levy, impose, and collect an admissions tax, additional to and not in lieu of any taxes imposed by chapter 297A, upon the granting by any private or public person, association, or corporation, other than the commission, of the privilege of admission to activities conducted on premises owned, operated, or controlled by the commission. No other tax may be levied on such transactions by any other unit of government

*except the state. The tax shall be stated and charged separately from the sales price so far as practicable and shall be collected by the grantor of admission from the person admitted and shall be a debt from that person to the grantor, and the tax required to be collected shall constitute a debt owed by the grantor to the commission, which debts shall be recoverable at law in the same manner as other debts. Every person, association, or corporation granting such admissions may be required, as provided in resolutions of the council, 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. The tax may not exceed three percent of the selling price; except that the tax upon admissions to activities conducted in the stadium referred to in section 10, subdivision 3, may be imposed at rates not to exceed ten percent of the selling price. The tax imposed by this subdivision shall be paid by the commission into the debt service fund."*

Page 18, line 27, strike "that"

Page 19, strike lines 6 to 20, and insert: "quarterly, one half to the municipality in which the tax was collected and one half to the commission to be distributed as provided in section 13. When the council deems it necessary to provide sufficient revenues to meet the obligations of the debt service fund as set forth in section 10, subdivision 4, it may increase the rate of this tax to 4-½ percent, after which the commissioner of revenue shall remit the net collections thereof, four-ninths to the municipality in which the tax was collected and five-ninths to the commission for distribution as provided in section 13."

Page 20, strike line 11 after the comma

Page 20, strike line 12

Page 20, line 13, strike "reasonable"

Page 20, line 13, before the comma, insert "as authorized by the council"

Page 20, line 22, before "An" insert "Subdivision 1."

Page 20, line 26, after "bonds" insert "in excess of \$1,500,000"

Page 21, after line 4, insert a subdivision to read:

*"Subd. 2. The pollution control agency shall take final action to approve or deny any permits necessary for the construction of the new sports facility within ten months following the effective date of this act."*

Page 21, line 21, strike "12" and insert "11"

Page 21, line 22, strike "under section 11"

Page 21, line 24, before "one" insert "at least"

Page 21, line 27, strike the first "the" and insert "any"

Page 21, line 27, after "revenues" insert "therefrom"

Page 21, line 28, strike "11" and insert "10"

Page 21, line 29, after "that" insert "any of"

Page 21, line 31, after "that" insert "any of"

Page 22, line 4, after "collections" insert "remitted"

Page 22, line 7, after the period, insert: "*The commission may use up to five percent of the collections remitted for the operating expenses of the commission.*"

Further amend the title as follows:

Page 1, line 8, strike "commission" and insert "council"

Page 1, line 8, strike "imposing" and insert "authorizing the council to impose"

Page 1, line 11, after "statement" insert "and pollution control agency permits"

Page 1, line 12, after "facility;" insert "authorizing a liquor license for the commission;"

Page 1, lines 16 and 17, strike "473.146, by adding a subdivision;"

And when so amended the bill do pass. Mr. Brown questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2436: A bill for an act relating to public lands; authorizing the commissioner of natural resources to sell certain state owned lands; and authorizing certain county boards to sell certain tax-forfeited lands.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, after "1." insert "Subdivision 1."

Page 1, line 14, strike ", lands acquired"

Page 1, line 15, strike "pursuant to Laws 1941, Chapter 511,"

Page 1, after line 19, insert:

"Subd. 2. Notwithstanding Minnesota Statutes, Sections 94.09 to 94.16, before January 1, 1977, and after the issuance of all necessary permits for the construction and operation of a taconite tailings disposal facility for Reserve Mining Company, the commissioner of natural resources may sell at public auction in the manner specified in Minnesota Statutes, Sections 92.12 to 92.16, any lands acquired pursuant to Laws 1941, Chapter 511, regardless if they are determined to be surplus state lands, which are located within the site which the state of Minnesota and Reserve Mining Company agree is suitable for disposal of the latter's taconite tailings if the executive council by an affirmative vote

of four members authorizes the commissioner to convey such lands. The public meeting of the executive council shall be based only on the commissioner's record of the proceedings concerning permits issued by the commissioner pursuant to Minnesota Statutes, Section 105.42."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Reports the same back with the recommendation that the bill be amended as follows:

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2382: A bill for an act relating to drainage systems; authorizing a board or court to allow amendment of the engineer's and viewers' report for the purposes of taking into consideration certain inflationary cost factors; amending Minnesota Statutes 1974, Section 106.241.

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 106.241, is amended to read:

106.241 [PROCEDURE WHEN CONTRACT NOT LET OR COMPLETED.] Subsequent to the establishment of any drainage system, if no bids are received except for a price more than 30 percent in excess of the engineer's estimate, or for a price in excess of the benefits, less damages and other costs, *or if a contract is let, but due to unavoidable delays not occasioned by the contractor, the contract cannot be completed for a price within the benefits, less damages and other costs*, proceedings may be had as follows.

If it shall appear to the persons interested in said ditch that the engineer made an error in his estimate or that the plans and specifications could be changed in a manner materially affecting the cost of the improvements without interfering with the efficiency thereof, then any of said persons may petition the board or court so stating and asking that an order be made ~~reconsidering and rescinding the order theretofore made establishing the drainage system, and that~~ the engineer's and viewers' reports be referred back to the engineer and to the viewers for further consideration.

*If it appears to a person interested in the ditch that no bids were received except for a price more than 30 percent in excess of the engineer's estimate due to the inflation of construction cost between the time of the engineer's cost estimates and the time of letting of the contract, or if a contract is let and there is unavoidable delay, not occasioned by the contractor, between the time of the letting of the contract and completion of construction, with the result that the contract cannot be completed for a price within the benefits assessed due to inflation of construction costs, the interested person may petition the board or court for an order to reconsider the engineer's and viewers' reports. The person may request in his petition that the board or court reconsider the engineer's original estimate and viewers' report and update them to take into consideration inflationary construction cost increases.*

Upon presentation of such petition, the board or court shall order a hearing, therein designating the time and place for hearing, and cause notice thereof to be given by publication in the same newspapers where the notice of final hearing was theretofore published.

At the time and place specified in the order and notice, the board or court shall consider the petition and hear all interested parties.

Upon said hearing, if it shall appear that the engineer's original estimate was erroneous and should be corrected, or that the plans and specifications could be changed in a manner materially affecting the cost of the improvement without interfering with the efficiency thereof, and further, that upon said correction or modification, a contract could be let within the 30 percent limitation and within the available benefits, then the board or court may, by order, authorize the engineer to amend his report. If the changes recommended by the engineer in any manner affect the amount of benefits or damages to any property, or if it becomes apparent because of inflated land values and inflated construction costs that the benefits should be re-examined, the viewers' report shall be referred back to the viewers to re-examine the benefits and damages and report the same to the board or court. *If at the hearing the board or court determines that no bids were received or that construction under the contract previously let cannot be completed except for a price more than 30 percent in excess of the engineer's estimate, or in excess of the benefits, less damages and other costs, due to inflationary construction cost increases, the board or court may by order authorize the engineer and viewers to amend their report to take into account the inflationary cost increases.*

The board or court may continue the hearing to give the engineer or the viewers additional time for the making of their amended reports and in such case the jurisdiction of the board or court shall continue in all respects at the adjourned hearing.

Upon said hearing the board or court shall have full authority to ~~reopen the original order establishing said ditch, and to set said order aside, and to consider the amended engineer's report and the amended viewers' report, if any, and to make findings and an order thereon the same as is provided in sections 106.191 and 106.201.~~ All proceedings thereafter taken shall be the same as is provided upon the original findings and order of the board or court. *Any party aggrieved thereby may appeal to the district court pursuant to section 106.631, subdivision 1.*

*Sec. 2. This act is effective the day following its final enactment."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2435: A bill for an relating to the city of Hastings; removing certain restrictions on the use of certain lands conveyed by the state to the city; amending Extra Session Laws 1967, Chapter 18, Section 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2423: A bill for an act relating to environmental protection; providing that the commissioner of economic development be a permanent member of the environmental quality council; amending Minnesota Statutes 1974, Section 116C.03, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2406: A bill for an act relating to the counties of Meeker, Stearns, and Wright; appropriating money for restoration and improvements of Clearwater Lake watershed.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2485: A bill for an act relating to natural resources; authorizing the inclusion of additional lands within the boundaries of Itasca State Park.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2282: A bill for an act relating to the Minnesota state historical society; interpretive centers; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 13 and 14, strike "Horizons subcommittee of the Bicentennial committee of Faribault" and insert "bicentennial committee's tri-river valley interpretative program"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2509: A bill for an act relating to state lands; authorizing the conveyance of certain state lands in Rice county to the city of Faribault for the purpose of establishing a nature and agricultural interpretative center.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike "a nature and agricultural interpretative"

and insert "the bicentennial horizons committee's tri-river valley interpretative program"

Page 1, line 15, strike "center"

Page 5, line 3, strike "NATURE AND AGRICULTURAL" and insert "REGIONAL"

Page 5, line 7, strike "nature and agricultural" and insert "regional"

Page 5, line 9, strike "involved with"

Page 5, line 10, strike "agriculture and nature"

Amend the title as follows:

Page 1, line 5, strike "nature and agricultural" and insert "regional"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 652: A bill for an act relating to the organization, operation and financing of state government; establishing an indirect cost billing system; requiring revolving fund billing rates by the commissioner of finance; transferring certain powers and duties relating to finance and recordation from and to the department of finance; appropriating money; amending Minnesota Statutes 1974, Sections 3.30, Subdivision 2; 16.141, Subdivisions 2 and 3a; 16.19; 16A.132, Subdivision 3; 16A.15, Subdivision 3; 16A.17; 16A.28; 16A.58; 84A.04; 93.12; 124.28, Subdivision 2; 276.09; 276.10; 293.10; 348.04; 354A.07; 379.05; 379.07; 379.09; 385.21; and 473F.07, Subdivisions 1 and 2; and Chapter 16A, by adding sections; repealing Minnesota Statutes 1974, Sections 10.16; 16A.09; 16A.125; and 136.06.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 3.30, Subdivision 2, is amended to read:

Subd. 2. [MEMBERS; DUTIES.] The chairman of the senate committee on taxes and tax laws, the chairman of the senate committee on finance, the chairman of the house committee on taxes and tax laws, and the chairman of the house committee on appropriations shall constitute a committee to be known as the legislative advisory committee. The governor shall preside over the meetings of the committee but shall not be a member thereof. If any of the legislative members elect not to serve on the committee, the house of which they are members, if in session, shall select some other member for such vacancy. If the legislature is not in session, vacancies in the legislative membership of the committee shall be

filled by the last speaker of the house or, if he be not available, by the last chairman of the house rules committee, in case of a house vacancy, and by the last senate committee on committees or other appointing authority designated by the senate rules in case of a senate vacancy. The commissioner of finance shall act as secretary of the committee and shall keep a permanent record and minutes of its proceedings, which shall be made available for examination upon request of any interested citizen *public records*. The commissioner of finance shall transmit, *under the provisions of section 3.195*, a report to the next legislature of all actions of said committee. The members of the committee shall receive travelling and subsistence expenses in attending meetings of the committee. ~~From the appropriation made for the committee there shall be paid the travelling and subsistence expenses of members of the committee in attending meetings thereof and for the payment of stenographic services which if performed by a person in the classified service of the state shall be in addition to his regular salary.~~ The committee shall meet from time to time upon the call of the governor or upon the call of the secretary at the request of three or more of its members.

Sec. 2. Minnesota Statutes 1974, Section 15.191, Subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] Before an imprest cash fund is established an application showing the need therefor shall be presented to the ~~state auditor~~ *commissioner of finance* who shall fix the amount of the fund for the department or agency. Upon the approval of the application by the commissioner of ~~administration~~ *finance*, the imprest cash fund is established and the commissioner of *finance* shall notify the applicant.

Sec. 3. Minnesota Statutes 1974, Section 16A.055, is amended to read:

16A.055 [DUTIES OF COMMISSIONER.] The commissioner of finance shall exercise the rights, powers, and duties vested in and imposed upon his office. He shall have charge of the administration of the financial affairs of the state. He shall keep the general books of account of the state. The general books of account shall be on a double entry control basis, with such revenue, expenditure, asset and liability accounts as will give complete control over all financial and expenditure operations of the state and over all officials, departments, and agencies of the state government. Accounts shall be set both as to expenditures and revenue according to generally accepted practice in governmental accounting. The commissioner of finance shall formulate and prescribe for all departments and other state agencies a system of uniform records, accounts, statements, estimates, revenue receipt forms, vouchers, bills, and demands with suitable instructions governing the installation and use thereof. The accounting system and form so prescribed shall be adopted and employed by all officials, departments, and agencies of the state government. The commissioner of finance shall exercise constant supervision and control thereof. All accounting and financial records shall be kept on the fiscal year basis of 12 months ending at midnight between June 30 and

July 1. The commissioner of finance and his designated agents shall at all times have free access to the books, records, accounts, and papers of the several departments and agencies.

*To accomplish the above duties, the commissioner may assign a designee to any department or agency of the state to monitor the fiscal activities therein, insure compliance with statutes and administrative requirements promulgated by the commissioner and provide any additional assistance he deems appropriate. Development of a budget consistent with a department or agency's goals, responsibilities and priorities and supervision of a department or agency's personnel shall be the responsibility of the department or agency head.*

Sec. 4. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

[16A.095] [PROGRAM BUDGETING.] *Subdivision 1. [LEGISLATIVE POLICY.] The legislature finds that in the present era of increasing cost and complexity of state governmental operations with the attendant increase in sums requested and appropriated at each legislative session to enable state departments and agencies to perform their functions of service to the public, it is highly desirable that budgets considered by the legislature be stated in terms of services to the people in order to present fiscal policies in the context of services to be accomplished. The legislature therefore finds it desirable that future budgets and appropriations be stated in terms of programs and anticipated accomplishment rather than in terms of objects of expenditure. Program budgeting, herein defined as the arrangement of budgetary information into program categories in such a way as to emphasize the purposes for which state moneys are to be spent, will be of invaluable assistance to the legislature in its consideration of budgets and appropriations requests. It is believed that it will also assist departments and agencies in clearly stating and properly emphasizing their budgetary needs.*

*Subd. 2. [ESTABLISHMENT OF PROGRAM.] The commissioner of finance shall develop the budget process to accomplish the policy as stated in subdivision 1 for state departments and agencies, provided, that such process need not comply with other provisions of law relating to the setting forth of expenditures by organizational units, character and objects of expenditure. The commissioner of finance shall promulgate regulations and instructions applicable to budget preparation governing the classification of expenditures and the content, and submission of budget requests and appropriation measures. The commissioner of finance shall select agencies and departments to implement the budget system. The commissioner of finance shall make recommendations to the legislature on the subject of any legislation or special appropriations which may be required for implementation of the budgeting system for all state departments and agencies. Such budget system shall, to the greatest extent practicable, emphasize alternative approaches in the program development and criteria for performance evaluation and measurement. All state departments and agen-*

*cies shall cooperate with the commissioner of finance to assure implementation of budgets which meet the requirements of the commissioner of finance and which give due regard to the requirements of the various departments and agencies involved. No state agency shall begin or install any system of program or programmatic budgeting until they have first secured the explicit permission of the commissioner of finance.*

**Subd. 3. [WAIVER OF REQUIREMENT OF SUBMITTING BUDGET.]** *Notwithstanding any other law to the contrary, the commissioner of finance after consulting the committee on appropriations of the house of representatives and the committee on finance of the senate may waive the requirements for submitting a budget by object of expenditure for agencies and departments which are, at his direction, requesting programmatic appropriations.*

Sec. 5. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

**[16A.126] [COMMISSIONER TO APPROVE BILLING RATES FOR REVOLVING FUNDS.]** *The commissioner of finance shall approve the rates at which services are billed state departments or agencies by any revolving fund.*

Sec. 6. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

**[16A.127] [INDIRECT COSTS.] 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 the departments of administration, finance and personnel which are attributable to the provision of services to any state agency;

(d) "Commissioner" means the commissioner of finance.

**Subd. 2. [STATEWIDE INDIRECT COST PLAN.]** *Each year the commissioner shall prepare a statewide indirect cost plan showing the category and amount of statewide indirect costs attributable to each state agency for the current fiscal year. The commissioner shall submit copies of the plan to the governor and to the legislature pursuant to section 3.195.*

**Subd. 3. [TRANSFER OF FUNDS.]** *Pursuant to the statewide indirect cost plan the commissioner shall transfer to the general fund that portion of the statewide indirect costs applicable to nongeneral fund moneys received by any state agency for the pre-*

vious fiscal year. Upon making such a transfer, the commissioner is authorized and directed to make appropriate entries in the records of the funds involved in the transfer. Notwithstanding the foregoing, the commissioner may determine, for reasons of sound fiscal management, to waive the transfer to the general fund of the indirect costs for certain nongeneral fund moneys. The commissioner shall report any waivers under this subdivision to the governor and the legislature at the time of his submission of the statewide indirect cost plan for the following fiscal year.

**Subd. 4. [FEDERAL INDIRECT COST PROPOSALS.]** Whenever a state agency applies or submits a budget for or receives federal moneys, the state agency shall prepare and submit to the appropriate federal agency an indirect cost proposal and make such further submissions necessary to obtain both statewide and state agency indirect cost moneys. Any indirect cost proposals and related documents must be submitted to and approved by the commissioner prior to the time they are submitted to the appropriate federal agency. A state agency need not prepare and submit an indirect cost proposal if it establishes to the commissioner's satisfaction that such submission is not economically feasible.

**Subd. 5. [TRANSFER OF FUNDS; FEDERAL INDIRECT COST PROPOSAL.]** If the appropriate federal agency approves a state agency's indirect cost proposal, the commissioner shall transfer to the general fund that portion of the federal moneys received by the state agency attributable to statewide indirect costs. If the federal agency approves only a portion of the state agency's indirect cost proposal, the commissioner shall transfer to the general fund all or such part, if any, of that portion of the federal moneys received by the state agency attributable to statewide indirect costs that the commissioner deems appropriate. If the federal agency fails to approve any portion of the state agency's indirect cost proposal, the state agency shall submit documentation of the failure to approve and a statement of the reasons therefor to the commissioner.

**Subd. 6. [REPORTS.]** The commissioner shall require such information and reports from each state agency as he deems necessary to carry out the duties of this section.

**Sec. 7.** Minnesota Statutes 1974, Section 16A.129, is amended to read:

**16A.129 [COMMISSIONER TO MAKE RULES.]** The commissioner of finance shall have the following powers: to approve or reject the compensation schedules submitted by the personnel board for the various classes, grades, and titles of the employees of the various officials, departments, and agencies of the state government and institutions under their control; power to require a complete record of the officers, assistants, and employees appointed thereby or employed therein, and to require the salaries of the same to be in conformity with the scale of compensation established pursuant to law; and to prepare and prescribe classes of expenditures and revenue for the purpose of budget-making and accounting; to procure by lease, with the approval of the

governor, office space and buildings for the use of the state government or any department, office, or institution thereof, to purchase, except as otherwise provided in Laws 1925, Chapter 126, as amended, all supplies and equipment for all state officials, departments, and agencies of the state government, including tools, machinery, and materials to be used by the state in the construction and maintenance of state highways, but the commissioner, in his discretion, may designate an officer or employee of any such department to make, under the general supervision and direction of the commissioner, such purchases for the department in which such designation is so made as he may specify.

The authority of the commissioner to approve or reject a scale of compensation therefor shall not apply to the unclassified service as prescribed by the state civil service law.

Sec. 8. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

[16A.14] [ALLOTMENT AND ENCUMBRANCE.] *Subdivision 1. [ALLOTMENT PERIOD.] For the purposes of operation of the allotment system, each fiscal year shall be one fiscal year of 12 months which shall end at midnight between each June 30 and July 1, provided, that the commissioner of finance may prescribe a different period suited to the circumstances, not exceeding 12 months nor extending beyond the end of the fiscal year. This provision does not apply to allotments made with respect to appropriations made for constructions or permanent improvement.*

*Subd. 2. [FUNDS TO WHICH SYSTEM APPLIES.] Except as otherwise expressly provided therein, the provisions of Laws 1939, Chapter 431, 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 highways 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 commissioner 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.*

*Subd. 3. [APPROPRIATIONS AVAILABLE FOR ALLOTMENT; SPENDING PLANS.] No appropriation to any agency shall become available for expenditure thereby during any allotment period until such agency shall have submitted to the commissioner of finance a spending plan in advance, in such form as the commissioner shall prescribe, for such allotment period next ensuing, of the amount required for each*

*activity to be carried on and each purpose for which money is to be expended during that period, and until such spending plan shall have been approved, increased, or decreased by the commissioner of finance and funds allotted therefor.*

**Subd. 4. [SPENDING PLANS WITHIN APPROPRIATION; APPROVAL; PROCEDURE.]** *If the spending plan is within the terms of the appropriation as to amount and purposes, having due regard for the probable further needs of the agency for the remainder of the fiscal year or other term for which the appropriation was made, and if there is a need for such appropriation for the next ensuing allotment period, the commissioner of finance shall approve the estimated amount for expenditure. Otherwise the commissioner of finance shall modify the spending plan so as to conform with the terms of the appropriation and the prospective needs of the agency and shall reduce the amount allotted accordingly. The commissioner of finance shall act promptly upon all spending plans, and shall notify every agency of its allotments at least five days before the beginning of each allotment period. The total amount allotted to any agency for the fiscal year or other terms for which the appropriation was made shall not exceed the amount appropriated for such year or term.*

**Subd. 5. [MODIFICATION.]** *The commissioner of finance shall also have authority at any time to modify or amend any spending plan previously approved by him, upon application of or upon notice to the agency concerned, and upon a showing of emergency or other cause; provided, no deficit or undue reduction of funds to meet future needs of such agency will result therefrom.*

Sec. 9. Minnesota Statutes 1974, Chapter 16, is amended by adding a section to read:

**[16.243] [COMMISSIONER; ADDITIONAL POWERS.]** *The commissioner of administration shall have the following powers: to procure by lease, with the approval of the governor, office space and buildings for the use of the state government or any department, office, or institution thereof; to purchase, except as otherwise provided in chapter 16, all supplies and equipment for all state officials, departments, and agencies of the state government, including tools, machinery, and materials to be used by the state in the construction and maintenance of state highways; but the commissioner, in his discretion, may designate an officer or employee of any such department to make, under the general supervision and direction of the commissioner, such purchases for the department in which such designation is so made as he may specify.*

Sec. 10. Minnesota Statutes 1974, Section 16A.15, Subdivision 3, is amended to read:

**Subd. 3. [PAYMENT WITHIN ALLOTMENT AND ENCUMBRANCE; EXCEPTIONS.]** *No payment shall be made and without prior obligation. No obligation shall be incurred against any fund, allotment, or appropriation unless the commissioner of finance shall first certify that there is a sufficient unencumbered balance in such fund, allotment, or appropriation to meet the same. Every expenditure or obligation authorized or incurred in violation of the provisions of Laws 1939, Chapter 431, shall be presumed invalid and shall be ineligible for payment until its validity is established as hereinafter provided. Every*

payment made in violation of the provisions of Laws 1939, Chapter 431, shall be deemed illegal, and every official authorizing or making such payment, or taking part therein, and every person receiving such payment, or any part thereof, shall be jointly and severally liable to the state for the full amount so paid or received. If any appointive officer or employee of the state shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of Laws 1939, Chapter 431, or take part therein, it shall be grounds for his removal by the officer appointing him, and, if the appointing officer be other than the governor and shall fail to remove such officer or employee, the governor may exercise such power of removal, after giving notice of the charges and opportunity for hearing thereon to the accused officer or employee and to the officer appointing him. Claims presented against existing appropriations without prior allotment or encumbrance may, upon investigation, review, and approval by the commissioner of finance be determined valid where the services, materials, and supplies for which payment is claimed have been actually rendered or furnished to the state in good faith without collusion and without intent to defraud. Thereafter the commissioner of finance may draw his warrant in payment of such claims in the same manner in which other claims, properly allotted and encumbered prior to inception thereof, are paid.

Sec. 11. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

[16A.155] [BUDGET AND ALLOTMENT SYSTEM, REFUNDS.] *Notwithstanding the provisions of section 8 of this act and section 16A.15, or any other law to the contrary, the payment of a refund for any purpose authorized by law shall be chargeable against the fund, appropriation, allotment or encumbrance for the period in which the refund is paid.*

Sec. 12. Minnesota Statutes 1974, Section 16A.17, Subdivision 1, is amended to read:

16A.17 [PREPARATION OF STATE PAYROLL.] Subdivision 1. [COMMISSIONER TO DETERMINE PAY PERIOD.] The commissioner of finance, with the approval of the governor, shall fix the time for payment of salaries due elective and appointive officers and employees of the state government. ~~As herein determined said~~ Salaries shall be paid either monthly, semi-monthly or for each two week period; provided, however, that no employee whose salary is less than \$500 a ~~month~~ *the amount prescribed by Title 29, Code of Federal Regulations, Part 541, as amended through December 31, 1974, shall be paid on a monthly or longer basis.*

Sec. 13. Minnesota Statutes 1974, Section 16A.17, Subdivision 4, is amended to read:

Subd. 4. [EQUAL SALARY PAYMENTS; ALLOCATION.] If the commissioner provides for equal payments of salaries throughout the year, the payroll shall be allocated as provided in this subdivision.

(1) If the payroll period extends beyond one quarter of the year and into another quarter of the year, the amount of the payroll for such payroll period shall be chargeable to the respective allotments and encumbrances according to procedures to be established by the commissioner of finance.

(2) This subdivision is applicable to salaries of state officers and employees payable in equal payments throughout the year notwithstanding any *other* provision in Minnesota Statutes 1967, Chapter 16, and any act amendatory thereof relating to the budget, allotment, and encumbrance system. No provision of any subsequent law relating to the budget, allotment, and encumbrance system or to appropriations for the payment of salaries of state officers and employees shall be construed as inconsistent with this subdivision unless and except only so far as expressly provided in such subsequent act that the provisions of this subdivision shall not be applicable or shall be superseded, modified, amended, or repealed.

Sec. 14. Minnesota Statutes 1974, Section 16A.17, Subdivision 5, is amended to read:

Subd. 5. [PAYROLL DEDUCTIONS MADE BY FINANCE.] Whenever in any law the duty is imposed upon the head of a state department or agency to make deductions from, or employer contributions on, the salaries and wages of state officers and employees for such purposes as are authorized or directed by law and to prepare or issue vouchers in connection therewith and the payroll for such officers and employees is prepared by the central payroll section of the department of finance, such duties as heretofore referred to shall devolve upon the commissioner of finance. Notwithstanding any other law to the contrary, where a state officer or employee directs, in writing, that a voluntary deduction shall be made from his salary or wages, the officer or employee shall file an original and one copy of his written instruction with the credit union, organization, association, agency, or carrier to which the deduction is to be paid and the intended recipient of such deduction shall forward the original of the instruction, signed by the employee, together with such other information as the commissioner of finance may prescribe concerning the amount of the deduction or change therein to the head of the state department or agency who prepares the payroll involved.

Sec. 15. Minnesota Statutes 1974, Section 16A.17, Subdivision 6, is amended to read:

Subd. 6. [PAYROLL PREPARATION.] All payrolls for the compensation of work performed, by elective and appointive state officers and employees, with the exception of the legislative and judicial branches, in the executive branch shall be prepared by the central payroll section of the department of finance. Upon request of the rules committee of the senate or house of representatives or the supreme court, as appropriate, the commissioner shall also prepare payrolls for the legislative and judicial branches by using pay procedures similar to those used in the executive branch.

Sec. 16. Minnesota Statutes 1974, Section 16A.17, Subdivision 7, is amended to read:

Subd. 7. [REPORTING OF HOURS WORKED.] (1) To facilitate the lowering of the payroll preparation cost, The commissioner of finance may authorize certification by authorized offi-

cials as to hours worked for payroll purposes in anticipation of the hours actually worked. The commissioner shall prescribe such procedures as may be necessary to assure that no payment shall be made for hours not worked unless covered by leave in accordance with civil service rules and regulations of the department of personnel or as provided in clause (2).

(2) Upon certification by the commissioner of finance, any agency of the state government shall release part or all of any fund held for an employee to correct an overpayment to any officer or employee described in subdivision 6 who has been erroneously paid.

Provided, however, that employee contributions in a retirement fund shall not be released until such time as the former state employee or person otherwise entitled thereto would be eligible to apply for a refundment and has been given proper notice. Amounts paid under the provisions of this section shall be considered the equivalent of a refundment. If an employee or survivor is entitled to an immediate or deferred annuity or survivor benefit, no funds shall be paid from his retirement account under the provisions of this section.

Sec. 17. Minnesota Statutes 1974, Section 16A.17, is amended by adding a subdivision to read:

*Subd. 9. [PAYROLL COSTS.] The moneys in the computer services revolving fund used for the costs of preparing the state payroll, and all the earnings accrued thereto, are appropriated to a central payroll revolving fund under the department of finance. In the instance of a direct appropriation for the costs of preparing the state payroll, all state departments and agencies shall be billed for their share of the payroll preparation costs through the indirect cost billing system, with the moneys collected being deposited in the general fund.*

Sec. 18. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

*[16A.275] [RECEIPTS DEPOSITED WITH STATE TREASURER.] All receipts from any source shall be deposited with the state treasurer each day, except as otherwise provided by law, and unless such receipts are under \$50 in which event payment may be deferred until they aggregate such sum; and at the same time a report of all receipts since the last previous report and of the disposition thereof shall be made to the commissioner of finance by the depositing agency. All moneys received by the treasurer during any month shall be credited by him and by the commissioner of finance to the proper funds not later than the first day of the following month.*

Sec. 19. Minnesota Statutes 1974, 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 an appropriation for construction or other permanent improvement shall not lapse until the purposes for which the appropriation was made shall have been accomplished or abandoned unless such appropriation has stood during the entire fiscal biennium without any expenditure therefrom or encumbrances thereon.

*On October 16 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 **from the general fund**, 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. 20. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

[16A.30] [APPLICATIONS FOR NONSTATE FUNDS.] *Subdivision 1. Every department or agency of the executive branch of state government shall, prior to the submission of any application for nonstate funds, submit the original of the application to the commissioner of finance. The commissioner shall promptly return the application indicating his approval or disapproval. No application for funds shall be submitted without the prior approval of the commissioner of finance. The commissioner of finance may promulgate rules, regulations, and directives to implement the provisions of this section.*

*Subd. 2. The provisions of this section shall not apply to the Minnesota historical society.*

Sec. 21. Minnesota Statutes 1974, Section 84A.04, is amended to read:

84A.04 [LISTS OF LANDS.] ~~Not later than September 1, 1920,~~ The auditor of each county in which a portion of this preserve and hunting ground is situated shall certify to the commissioner of ~~finance~~ *natural resources* a list of all the lands within the boundaries of the preserve and hunting ground, except lands lying within the boundaries of any incorporated city, which have been bid in for the state at the delinquent tax sale held in the year 1928 for the non-payment of taxes or special drainage assessments and not redeemed or assigned to an actual purchaser, which certificate shall contain the following information:

- (1) The legal description of each parcel of such lands ;
- (2) The amount of principal and interest of delinquent drainage assessments, if any, or instalments thereof, for all years prior to the date of such report, against each such parcel of land ; and
- (3) The amount of drainage assessments thereof assessed against each such parcel of land which have been or are to be extended upon the tax rolls of such county for collection with the taxes for the year 1927 and subsequent years.

On or before June fifteenth, of each year thereafter, such county auditor shall certify to the commissioner of *finance natural resources* a supplemental report giving the information contained in the original report covering such lands within this preserve and hunting ground bid in for the state at the annual tax sale of that year and not included in the previous report.

When redemption is made of any parcel of such land within the preserve and hunting ground which has been bid in for the state at any tax sale for taxes heretofore levied or when the tax liens on such land are assigned to an actual purchaser, the county auditor shall report the same forthwith to the commissioner of *finance natural resources*, and the county treasurer shall transmit forthwith the proceeds of such redemption to the state treasurer.

After each distribution has been made of the tax collections on the June and November tax settlements, such county auditor shall certify to the commissioner of *finance natural resources* the following information relating to bonds issued to finance or refinance public drainage ditches lying wholly or partly within this preserve and hunting ground and the collection of assessments levied on account of such ditches :

- (1) The amount of principal and interest to become due on such bonds prior to the next ensuing tax settlement and distribution ;
- (2) The amount of moneys collected from such drainage assessments and credited to the funds of these ditches ; and
- (3) The amount of the deficit in the ditch fund of the county chargeable to such ditches.

Upon the approval of this certificate by the commissioner of *finance natural resources*, he shall draw a warrant or warrants on the state treasurer, payable out of the Red Lake game preserve fund, for the amount of the deficit in favor of such county.

As to all public drainage ditches which lie wholly within this preserve and hunting ground, the maximum amount of money which shall be paid to or for the benefit of such county, in the manner above provided, shall never exceed the principal and interest of the bonds issued to finance and refinance such ditches outstanding at the time of the passage and approval of sections 84A.01 to 84A.11, less moneys on hand in the county ditch fund to the credit of such ditches, and such liability shall be reduced, from time to time, by the amount of any and all payments of

assessments hereafter extended, made by the owners of lands heretofore assessed for benefits on account of such ditches. As to all public drainage ditches which lie partly within and partly without the boundaries of this preserve and hunting ground, the maximum amount which shall be paid to or for the benefit of such county shall never exceed the percentage of bonds issued to finance and refinance such ditches so outstanding, less moneys on hand in the county ditch fund to the credit of such ditches at the time of the passage and approval of sections 84A.01 to 84A.11, which bears the same proportion to the whole amount of such bonds as the original benefits assessed against lands within the game preserve bear to the original total benefits assessed to the entire system of such ditches, and such liability shall be reduced, from time to time, by the payments of all assessments hereafter extended, made by the owners of lands in this preserve and hunting ground, of assessments for benefits heretofore assessed on account of any such ditch. The commissioner of ~~finance~~ *natural resources* shall have authority to provide and prescribe the forms for any reports required by sections 84A.01 to 84A.11 to be made to him, and to require any further and additional information from any officials of these counties which he deems necessary for the proper administration of sections 84A.01 to 84A.11.

Sec. 22. Minnesota Statutes 1974, Section 93.12, is amended to read:

93.12 [FORFEITURE OF PERMITS AND LEASES.] In the event the holder of such permit or lease shall fail to comply with all the provisions contained in sections 93.08 to 93.12 to be by him performed or observed and such default shall continue for a period of 30 days the commissioner of *natural resources* upon 30 days notice to the holder of such permit or lease by registered mail to the address of such holder as shown by the records of the commissioner of ~~finance~~ *natural resources* may declare such permit or lease and all rights acquired thereunder forfeited. Upon the filing of the order of forfeiture with the commissioner of ~~finance~~ *natural resources* all rights under such lease or permit shall cease.

Sec. 23. Minnesota Statutes 1974, Section 276.09, is amended to read:

276.09 [SETTLEMENT BETWEEN AUDITOR AND TREASURER.] On the last day of February, May, and October, of each year, the county treasurer shall make full settlement with the county auditor of his receipts and collections for all purposes, from the date of the last settlement up to and including each day mentioned, and the auditor shall, within 30 days after each settlement, send an abstract of same to the ~~commissioner of finance~~ *state auditor* in such form as the ~~commissioner of finance~~ *state auditor* may prescribe. At each settlement the treasurer shall make complete returns of his collections on the current tax list, showing the amount collected on account of the several funds included in the list.

Sec. 24. Minnesota Statutes 1974, Section 276.10, is amended to read:

276.10 [APPORTIONMENT AND DISTRIBUTION OF FUNDS.] On the last day of February, May, and October, of each year, the county auditor and county treasurer shall make distribution of all undistributed funds remaining in the treasury, apportioning the same, as provided by law, and placing the same to the credit of the state, town, city, or school district, and each county fund. Within 20 days after such distribution is completed, the county auditor shall make report thereof to the ~~commissioner of finance state auditor~~, in such form as the ~~commissioner of finance state auditor~~ may prescribe. The county auditor shall issue his warrant for the payment of any moneys remaining in the county treasury to the credit of the state, town, city, or school district on application of the persons entitled to receive the same.

Sec. 25. Minnesota Statutes 1974, Section 293.10, is amended to read:

293.10 [DRAFT ON DELINQUENT; EVIDENCE.] On or before the tenth day of June, in each year, the commissioner of ~~finance revenue~~ shall ~~make his draft upon the issue his order to any person delinquent in the payment of such tax for the amount of taxes and penalty due thereon and place the same in the hands of the state treasurer for collection.~~ The ~~draft of the commissioner of finance for the tax and penalty imposed by the provisions of this chapter~~ *this order* shall be prima facie evidence in any court where proceedings may be brought for its enforcement that the amount therein stated is due from the person ~~against whom the same is drawn~~.

Sec. 26. Minnesota Statutes 1974, Section 348.04, is amended to read:

348.04 [PROOFS SENT TO COMMISSIONER OF NATURAL RESOURCES.] Before August first the county auditor shall compare the proofs furnished by the claimant with the assessor's report, and, if they correspond in substance, he shall immediately forward to the commissioner of ~~finance natural resources~~ the original proofs of claim and a certified list of all plats filed.

Sec. 27. Minnesota Statutes 1974, Section 379.05, is amended to read:

379.05 [RECORD OF DESCRIPTION OF TOWN, WHERE KEPT; ABSTRACT SENT TO COMMISSIONER OF REVENUE.] Each county auditor shall within 30 days after any such town is organized transmit by mail to the commissioner of ~~finance revenue~~ 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. 28. Minnesota Statutes 1974, Section 379.07, is amended to read:

379.07 [TOWNS WITH SAME NAME.] If the commissioner of ~~finance revenue~~, on comparing the abstracts of the reports from the several counties, finds that two or more towns have the same

name, he shall transmit to the auditor of the proper county the name to be altered, and the county board shall, at its next meeting thereafter, adopt for such town a different name. When such name is adopted the county auditor shall inform the commissioner of *finance revenue*, as before directed.

Sec. 29. Minnesota Statutes 1974, Section 379.09, is amended to read:

379.09 [ORDER OF BOARD.] The ~~prayer of the~~ Petition being granted, the board shall make a formal order to that effect, which shall be filed with the county auditor and thereupon the official name of such town shall be the one so adopted. The auditor shall within 20 days after any such change of name of town transmit by mail to the commissioner of *finance revenue* an abstract of all the proceedings and orders of the county commissioners relative to such change of name.

Sec. 30. Minnesota Statutes 1974, Section 385.21, is amended to read:

385.21 [ACTION AGAINST.] If any county treasurer fails to make return or settlement, or to pay over all money with which he stands charged, at the time and in the manner prescribed by law, the county auditor, on receiving instructions for that purpose from the ~~commissioner of finance~~ *state auditor* or from the county board of his county, shall cause an action to be commenced against such treasurer and his sureties in the district court of his county; and judgment may be rendered therein against them for the amount due from such treasurer, with interest and a penalty of ten percent thereon.

Sec. 31. Minnesota Statutes 1974, Section 473F.07, Subdivision 1, is amended to read:

473F.07 [COMPUTATION OF AREA-WIDE TAX BASE.] Subdivision 1. Each county auditor shall certify the determinations pursuant to sections 473F.04, 473F.05, and 473F.06 to the administrative auditor on or before November 20 of ~~1972 and~~ *each subsequent* year. The administrative auditor shall determine the sum of the amounts certified pursuant to section 473F.06, and divide that sum by two and one half. The resulting amount shall be known as the "area-wide tax base for . . . . . (year)."

Sec. 32. Minnesota Statutes 1974, Section 473F.07, Subdivision 2, is amended to read:

Subd. 2. The commissioner of *finance revenue* shall certify to the administrative auditor, on or before November 20 of ~~1972 and~~ *each subsequent* year, the population of each municipality for the preceding year, the proportion of that population which resides within the area, the average fiscal capacity of municipalities for the preceding year, and the fiscal capacity of each municipality for the preceding year.

Sec. 33. Minnesota Statutes, 1975 Supplement, Section 484.54, is amended to read:

484.54 [EXPENSES OF JUDGES.] The judges of the district court shall be paid, in addition to the amounts now provided by law, all sums they shall hereafter pay out as ~~necessary traveling and hotel expenses~~ while absent from their places of residence in the discharge of their official duties, ~~and except that a judge shall not be paid such travel expenses for travel from his place of residence to and from his permanent chambers. Judges shall submit their travel expenses on the same forms state employees must utilize to seek travel reimbursement. Additionally, judges of the district court shall be reimbursed for all sums, not reimbursed by counties, they shall necessarily hereafter pay out for telephone tolls, postage, expressage, and stationery, including printed letterheads and envelopes for official business except that a judge shall not be paid such traveling expenses for travel from his place of residence to and from his permanent chambers.~~

Each judge *claiming reimbursement for allowable expenses* may file *with the supreme court* monthly and shall file ~~within not later than 90 days after the expenses are incurred, unless the time is extended by the commissioner of finance, with the commissioner of finance~~ an itemized statement, verified by ~~him the judge, of all such allowable expenses actually paid by him which shall be audited by the commissioner of finance and paid upon his warrant. All statements shall be audited by the supreme court and, if approved by the supreme court, shall be paid by the commissioner of finance from appropriations for this purpose.~~

Sec. 34. [REPEALER.] *Minnesota Statutes 1974, Sections 3.30, Subdivision 2a; 10.16; 16.141; 16.16; 16.161; 16.164; 16.18; 16.19; 16A.09; 16A.125, Subdivisions 1, 2, 3, 7, 8, 9, and 10; 16A.17, Subdivision 2; and 136.06, are repealed.*

Sec. 35. [EFFECTIVE DATE.] *This act is effective the day following its final enactment."*

Further, strike the title and insert:

"A bill for an act relating to the organization, operation and financing of state government; establishing an indirect cost billing system; requiring revolving fund billing rates to be determined by the commissioner of finance; transferring certain powers and duties relating to finance and recordation from and to the department of finance; appropriating money; amending the expense provisions for district court judges; amending Minnesota Statutes 1974, Sections 3.30, Subdivision 2; 15.191, Subdivision 2; 16A.055; 16A.129; 16A.15, Subdivision 3; 16A.17, Subdivisions 1, 4, 5, 6, 7, and by adding a subdivision; 16A.28; 84A.04; 93.12; 276.09; 276.10; 293.10; 348.04; 379.05; 379.07; 379.09; 385.21; 473F.07, Subdivisions 1 and 2; Chapter 16, by adding a section; and Chapter 16A, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 484.54; repealing Minnesota Statutes 1974, Sections 3.30, Subdivision 2a; 10.16; 16.141; 16.16; 16.161; 16.164; 16.18; 16.19; 16A.09; 16A.125, Subdivisions 1, 2, 3, 7, 8, 9, and 10; 16A.17, Subdivision 2; and 136.06."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2510: A bill for an act relating to natural resources; authorizing the designation of the Zumbro river as a canoe and boating route; amending Minnesota Statutes 1974, Section 85.32, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2363: A bill for an act relating to public welfare; providing for administrative and judicial review of certain actions and decisions of local welfare agencies; repealing Minnesota Statutes 1974, Sections 256.77; 256B.10; 256B.11; 256D.12; and 256D.40.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, strike "Chapter 256D, Chapter 261" and insert "Sections 256D.35 to 256D.41"

Page 5, line 29, strike "256D.12"

Page 6, line 1, strike ", 256D.12"

Amend the title as follows:

Page 1, line 6, strike "256D.12;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2008: A bill for an act relating to counties; providing that county libraries receive copies of state statutes and the state register; appropriating money; amending Minnesota Statutes 1974, Sections 15.051, by adding a subdivision; and 482.07, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, after "register" insert "*and compilation of agency rules*"

Page 1, line 15, after "register" insert "*and compilation of agency rules*"

Page 1, line 20, after "Statutes" insert ", *any supplement thereto*"

Page 1, line 23, after "statutes" insert ", *supplements*"

Page 2, line 1, strike "state registrar" and insert "*commissioner of administration*"

Amend the title as follows:

Page 1, line 3, after "statutes" insert ", compiled rules"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 771: A bill for an act relating to the city of Albert Lea; placing the chief of police under the public employees police and fire fund.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 855: A bill for an act relating to metropolitan government; authorizing council regulations establishing standards and guidelines for determining matters of metropolitan significance to be adopted without specific legislative approval; amending Laws 1975, Chapter 13, Section 18, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was re-referred

S. F. No. 2486: A bill for an act relating to highways; construction limitations on certain trunk highways; authorizing the preparation of environmental impact statements for such highways; amending Minnesota Statutes, 1975 Supplement, Section 161.123.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, strike lines 20 to 32

Page 2, after line 19, insert the following: "*The commissioner of highways shall be authorized to prepare environmental impact statements, utilizing the most reasonably recent available data, on the following:*"

Page 3, line 1, strike "(a) *The*"

Page 3, line 5, after "*necessary*" strike the ";" and insert ". *In the preparation of such environmental impact statements the commissioner shall analyze and evaluate.*"

Page 3, line 6, strike "(b)" and insert "(a)"

Page 3, line 8, strike "(c)" and insert "(b)"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1800: A bill for an act relating to unemployment compensation; disqualifying an individual from benefits for a voluntary termination of employment if within the previous three years he had received more than 13 weeks of benefits after a voluntary termination of employment; requiring the commissioner of the department of revenue to furnish certain information to the department of employment services; requiring the commissioner of the department of employment services to furnish certain information to the department of public welfare; providing that unemployment compensation benefits be taxable as gross income if the benefits and federal gross income exceed \$8,000; amending Minnesota Statutes 1974, Sections 268.12, Subdivision 12; and 290.61; Minnesota Statutes, 1975 Supplement, Sections 268.09, Subdivision 1; and 290.01, Subdivision 20.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 12, is amended to read:

Subd. 12. “Employment” means: (1) Subject to the other provisions of this subdivision “employment” means service performed prior to January 1, 1945, which was employment as defined in this section prior to such date, and any service performed after December 31, 1944, including service in interstate commerce, by an individual who is a servant under the law of master and servant or who performs services for any employing unit, unless such services are performed by an independent contractor. Any service performed, including service in interstate commerce, by

- (a) any officer of a corporation; or
- (b) any individual other than an individual who is an employee under clause (a) who performs services for remuneration for any person as an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal, or as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, his principal (except for sideline sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations;

Provided, that for purposes of clause (1) (b), the term “employment” shall include services described above performed after December 31, 1971, only if the contract of service contemplates that substantially all of the services are to be performed personally by such individual, the individual does not have a substantial in-

vestment in facilities used in connection with the performance of the services (other than in facilities for transportation), and the services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

(2) The term "employment" shall include an individual's entire service, performed within or both within and without this state if (a) the service is localized in this state; or (b) the service is not localized in any state but some of the service is performed in this state and (1) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this state; (2) the base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(3) Service shall be deemed to be localized within a state if (a) the service is performed entirely within such state; or (b) the service is performed both within and without such state, but the service performed without such state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions.

(4) After December 31, 1971, the term "employment" shall include an individual's service wherever performed within the United States, the Virgin Islands or Canada, if

(a) Such service is not covered under the unemployment compensation law of any other state, the Virgin Islands or Canada, and

(b) The place from which the service is directed or controlled is in this state.

(5) (a) Service covered by an election pursuant to section 268.11, subdivision 3; and

(b) Service covered by an arrangement pursuant to section 268.13 between the commissioner and the agency charged with the administration of any other state or federal employment security law, pursuant to which all service performed by an individual for an employing unit is deemed to be performed entirely within this state, shall be deemed to be employment if the commissioner has approved an election of the employing unit for which such service is performed, pursuant to which the entire service of such individual during the period covered by such election is deemed to be employment.

(6) Notwithstanding any inconsistent provisions of sections 268.03 to 268.24, the term "employment" shall include any services which are performed by an individual with respect to which an employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund or which as a condition for full tax credit against the tax imposed by the federal unemployment tax act is required to be covered under this law.

(7) Service performed after July 1, 1957, by an individual for the state of Minnesota or any instrumentality which is wholly owned by the state of Minnesota or in the employ of this state and one or more other states or their instrumentalities.

(8) Service performed after January 1, 1974, by an individual for any political subdivision of the state of Minnesota or instrumentality thereof.

(a) The provisions of section 268.08, subdivision 5, shall apply to service covered by this section.

(b) The amounts required to be paid in lieu of contributions by any political subdivision shall be billed and payment made as provided in section 268.06, subdivision 28, clause (2), with respect to similar payments by nonprofit organizations.

(9) Service performed after December 31, 1971, by an individual in the employ of a religious, charitable, educational or other organization but only if the following conditions are met:

(a) the service is excluded from "employment" as defined in the federal unemployment tax act solely by reason of section 3306(c) (8) of that act; and

(b) the organization had one or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

(10) For the purposes of clauses (7), (8), and (9), the term "employment" does not apply to service performed

(a) in the employ of a church or convention or association of churches, or an organization which is operated exclusively for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches; or

(b) by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; or

(c) in a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market by an individual receiving such rehabilitation or remunerative work; or

(d) as part of an unemployment work relief or work training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof, by an individual receiving such work relief or work training; or

(e) for a hospital in a state prison or other state correctional institution by an inmate of the prison or correctional institution.

(11) The term "employment" shall include the service of an individual who is a citizen of the United States, performed outside the United States (except in Canada or the Virgin Islands), after December 31, 1971, in the employ of an American employer (other than service which is deemed "employment" under the provisions of clauses (2), (3), or (4) or the parallel provisions of another state's law) if:

(a) The employer's principal place of business in the United States is located in this state; or

(b) The employer has no place of business in the United States, but the employer is an individual who is a resident of this state, or the employer is a corporation which is organized under the laws of this state, or the employer is a partnership or a trust and the number of partners or trustees who are residents of this state is greater than the number who are residents of any one other state; or

(c) None of the criteria of (a) and (b) of this clause is met but the employer has elected coverage in this state, or the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state.

(d) An "American employer," for the purposes of this subdivision, means a person who is an individual who is a resident of the United States, or a partnership if two thirds or more of the partners are residents of the United States, or a trust, if all of the trustees are residents of the United States, or a corporation organized under the laws of the United States or of any state;

(e) As used in this subdivision, the term "United States" includes the states, the District of Columbia, and the Commonwealth of Puerto Rico.

(12) Notwithstanding clause (1), all service performed after the effective date of this subdivision by an officer or member of the crew of an American vessel on or in connection with such vessel, if the operating office, from which the operations of such vessel operating on navigable waters within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled is within this state.

(13) The term "employment" shall not include:

(a) Agricultural labor. The term "agricultural labor" includes all services performed subsequent to December 31, 1939:

(1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, fur-bearing animals and wildlife;

(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equip-

ment, or in salvaging timber or clearing land of brush and other debris left by a tornadic-like storm, if the major part of such service is performed on a farm;

(3) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section 15(g) of the agricultural marketing act, as amended (46 Stat. 1550, sec. 3; 12 U.S.C. 1141j) or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

(4) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such operator produced more than one half of the commodity with respect to which such service is performed, or in the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described herein, but only if such operators produced more than one half of the commodity with respect to which such service is performed; however, the provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; or

(5) On a farm operated for profit if such service is not in the course of the employer's trade or business or is domestic service in a private home of the employer.

As used herein, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

Notwithstanding the provisions of clause (13) (a) (1), (2), (3), (4) and (5), services performed after January 1, 1974, for an employing unit which has four or more persons performing services in agricultural labor for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time, shall not be excluded from the term "employment".

(b) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority;

(c) Casual labor not in the course of the employing unit's trade or business;

(d) Service performed on the navigable waters of the United States as to which this state is prohibited by the constitution and laws of the United States of America from requiring contributions

of employers with respect to wages as provided in sections 268.03 to 268.24;

(e) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of 18 in the employ of his father or mother ;

(f) Service performed in the employ of the United States government, or any instrumentality of the United States exempt under the constitution of the United States from the contributions imposed by sections 268.03 to 268.24, except that with respect to such service performed subsequent to December 31, 1939, and to the extent that the congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment compensation fund under a state unemployment compensation act; then, to the extent permitted by congress, and from and after the date as of which such permission becomes effective, all of the provisions of these sections shall be applicable to such instrumentalities and to services performed for such instrumentalities in the same manner, to the same extent, and on the same terms as to all other employers, employing units, individuals, and services; provided, that if this state shall not be certified for any year by the United States department of labor under section 3304(c) of the federal internal revenue code, the payments required of such instrumentalities with respect to such year shall be refunded by the commissioner from the fund in the same manner and within the same period as is provided in section 268.16, subdivision 6, with respect to contributions erroneously collected;

(g) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(h) (1) Service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501(a) (other than an organization described in section 401(a) ) or section 521 of the federal internal revenue code, if the remuneration for such service is less than \$50; or

(2) Service performed in the employ of a school, college, or university, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university; or

(3) Service performed by an individual under the age of 22 who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a fulltime program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this paragraph shall not apply to service performed in a program established for or on behalf of an employer or group of employers;

(i) Service performed in the employ of a foreign government (including service as a consular or other officer or employee or a nondiplomatic representative) ;

(j) Service performed in the employ of an instrumentality wholly owned by a foreign government, if

(1) The service is of a character similar to that performed in foreign countries by employees of the United States government or of an instrumentality thereof; and

(2) The commissioner finds that the United States secretary of state has certified to the United States secretary of the treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States government and of instrumentalities thereof.

(k) Service covered by an arrangement between the commissioner and the agency charged with the administration of any other state or federal employment security law pursuant to which all services performed by an individual for an employing unit during the period covered by such employing unit's duly approved election, are deemed to be performed entirely within such agency's state;

(l) Service performed in the employ of a hospital, if such service is performed by a patient of the hospital, as defined in clause (16);

(m) Service performed subsequent to December 31, 1940, as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered and approved pursuant to state law; and service performed as an intern in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered and approved pursuant to state law;

(n) Service performed subsequent to December 31, 1940, by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commission (the word "insurance" as used in this subdivision shall include an annuity and an optional annuity) ;

(o) Service performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(p) Service performed by an individual for a person as a real estate salesman, if all such service performed by such individual for such person is performed for remuneration solely by way of commission;

(q) If the service performed subsequent to December 31, 1940,

during one half or more of any pay period by an individual for the person employing him constitutes employment, all the service of such individual for such period shall be deemed to be employment; but if the service performed during more than one half of any such pay period by an individual for the person employing him does not constitute employment, then none of the service of such individual for such period shall be deemed to be employment. As used in this subdivision, the term "pay period" means a period (of not more than 31 consecutive days) for which a payment or remuneration is ordinarily made to the individual by the person employing him ;

*(r) Part time service performed by an individual for a political subdivision of the state of Minnesota when such individual is employed in park and recreation activities of the political subdivision for a fixed period of time not to exceed one hundred calendar days in any calendar year.*

(14) Except when performed for an institution of higher education, as defined in clause (15), or a hospital, as defined in clause (16), the term "employment" as applied to services performed by an individual for the state of Minnesota or any instrumentality wholly owned by the state, except political subdivisions or instrumentalities thereof, shall not include the following:

(a) Service performed by elected public officials and unclassified employees appointed for a definite term and employees of the legislature or a legislative commission employed as temporary employees, except after December 31, 1971, this exclusion shall not apply to service performed by unclassified employees in an instructional, research, or principal administrative capacity in an institution of higher education or a hospital;

(b) Service performed prior to January 1, 1972, by a faculty member in the employ of a university, college, school or any other institution of higher education which is supported wholly or substantially by public funds;

(c) Service performed by members of the Minnesota national guard when ordered to duty for military assignments;

(d) Service performed in the employ of the state natural resources department directly and solely in connection with emergency fire fighting, including but not limited to those persons temporarily employed for the purpose of detecting, locating, or suppressing forest fires.

(15) "Institution of higher education," for the purposes of this subdivision, means an educational institution which:

(a) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(b) Is legally authorized in this state to provide a program of education beyond high school;

(c) Provides an educational program for which it awards a bach-

elor's or higher degree, or provides a program which is acceptable for credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and

(d) Is a public or other nonprofit institution.

(e) Notwithstanding any of the foregoing provisions of this clause, all colleges and universities in this state are institutions of higher education for purposes of this section.

(16) "Hospital" means an institution which has been licensed, certified or approved by the department of health as a hospital.

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 268.06, Subdivision 8, is amended to read:

Subd. 8. [DETERMINATION OF CONTRIBUTION RATES.] For the year 1976 and for each calendar year thereafter the commissioner shall determine the contribution rate of each employer by adding the minimum rate to the experience ratio, except that if the ratio for the current calendar year exceeds the experience ratio for the preceding calendar year by more than one and one-half percentage points, the increase for the current year shall be limited to one and one-half percentage points. The minimum rate for all employers shall be nine-tenths of one percent if the amount in the unemployment compensation fund is less than \$90,000,000 on June 30 of the preceding calendar year; or eight-tenths of one percent if the fund is more than \$90,000,000 but less than \$110,000,000; or seven-tenths of one percent if the fund is more than \$110,000,000 but less than \$130,000,000; or six-tenths of one percent if the fund is more than \$130,000,000 but less than \$150,000,000; or five-tenths of one percent if the fund is more than \$150,000,000 but less than \$170,000,000; or three-tenths of one percent if the fund is more than \$170,000,000 but less than \$200,000,000; or one-tenth of one percent if the fund is \$200,000,000 or more; provided that no employer shall have a contribution rate of more than ~~five~~ *seven* percent except that in the case of an employer whose experience ratio in each of the immediately preceding three calendar years was in excess of ~~five~~ *seven* percent, the maximum contribution rate shall be ~~six~~ *nine* percent.

Sec. 3. Minnesota Statutes 1974, Section 268.06, is amended by adding a subdivision to read:

*Subd. 8a. [EMERGENCY SURTAX.] Notwithstanding any other provision of this section, each employer subject to this law shall pay, in addition to regular contributions applicable to calendar years 1976, 1977 and 1978, an emergency surtax of ten percent of the regular contributions.*

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1, is amended to read:

268.09 [UNEMPLOYMENT COMPENSATION; DISQUALIFIED FROM BENEFITS.] Subdivision 1. [DISQUALIFYING CONDITIONS.] An individual shall be disqualified for benefits:

(1) [VOLUNTARY LEAVING OR DISCHARGE FOR MISCONDUCT.] If such individual voluntarily and without good cause attributable to the employer discontinued his employment with such employer or *leaves employment because of pregnancy without availing herself of maternity leave rights*, or was discharged for misconduct, not amounting to gross misconduct, connected with his work or for misconduct which interferes with and adversely affects his employment, if so found by the commissioner, for not less than five nor more than eight weeks of unemployment in addition to and following the waiting period, or was discharged for gross misconduct connected with his work or gross misconduct which interferes with and adversely affects his employment, if so found by the commissioner, for 12 weeks of unemployment in addition to and following the waiting period, which disqualification shall not be removed by subsequent employment, and provided further that the commissioner is empowered to impose a total disqualification for the benefit year and to cancel part or all of the wage credits from the last employer from whom he was discharged for gross misconduct connected with his work, and the maximum benefit amount payable to such individual shall be reduced as follows: until he has, subsequent to that separation, earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of six times his weekly benefit amount.

(a) by an amount equal to the weekly benefit amount times the number of weeks for which such individual was disqualified, when the separation occurs because of a voluntary separation as described in this clause or as a result of discharge for misconduct; When the separation occurs as a result of a discharge for gross misconduct such disqualification shall continue until he has earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of twelve times his weekly benefit amount.

(b) by an amount equal to 12 times his weekly benefit amount, when the separation occurs as a result of a discharge for gross misconduct.

For the purpose of this clause "gross misconduct" shall be defined as misconduct involving assault and battery, or an immoral act, or the malicious destruction of property or the theft of money or property of a value of \$50, or more.

This provision shall not apply to any individual who left his employment to accept work offering substantially better conditions of work or substantially higher wages or both, or whose separation from such employment was due to serious illness of such individual.

(2) Separation to assume family obligations. If such individual voluntarily leaves employment because of pregnancy without availing herself of maternity leave rights provided by law, provided that such disqualification shall be removed by subsequent employment in insured work for a period of not less than six weeks.

(a) An individual who voluntarily leaves employment for com-

*elling personal reasons involving the obligation to care for a seriously ill member of the immediate family shall be disqualified for benefits for five weeks of unemployment in addition to and following the waiting period.*

(3) (2) [LIMITED OR NO CHARGE OF BENEFITS.] Benefits paid subsequent to an individual's separation under any of the foregoing clauses or because of his failure, without good cause, to accept an offer of suitable re-employment, shall not be used as a factor in determining the future contribution rate of the employer from whose employment such individual separated or whose offer of re-employment he refused; provided that this clause shall not apply to an individual involuntarily separated from employment because of pregnancy.

(4) (3) [FAILURE TO APPLY FOR OR ACCEPT SUITABLE WORK.] If the commissioner finds that he has failed, without good cause, either to apply for available, suitable work when so directed by the employment office, or the commissioner or to accept suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the commissioner, or to actively seek employment. Such disqualification shall continue for the week in which such refusal or failure occurred and ~~for a period of seven weeks until he has earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of six times his weekly benefit amount of unemployment immediately following such refusal or failure.~~

(a) In determining whether or not any work is suitable for an individual, the commissioner shall consider the degree of risk involved to his health, safety, and morals, his physical fitness and prior training, his experience, his length of unemployment and prospects of securing local work in his customary occupation, and the distance of the available work from his residence.

(b) Notwithstanding any other provisions of sections 268.03 to 268.24, no work shall be deemed suitable, and benefits shall not be denied thereunder to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(1) if the position offered is vacant due directly to a strike, lock-out, or other labor dispute;

(2) if the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(3) if as a condition of being employed the individual would be required to join a union or to resign from or refrain from joining any bona fide labor organization;

(4) if after December 31, 1971, such individual is in training with the approval of the commissioner.

(5) [LABOR DISPUTE.] If such individual has left or partially or totally lost his employment with an employer because of a strike

or other labor dispute. Such disqualification shall prevail for each week during which such strike or other labor dispute is in progress at the establishment in which he is or was employed, except that such disqualification shall be for one week following commencement of the strike or other labor dispute for any employee who is not participating in or directly interested in the labor dispute which caused such individual to leave or partially or totally lose such employment. Failure or refusal of an individual to accept and perform available and customary work in the establishment constitutes participation. For the purpose of this section the term "labor dispute" shall have the same definition as provided in the Minnesota labor relations act. Nothing in this subdivision shall be deemed to deny benefits to any employee:

(a) who becomes unemployed because of a strike or lockout caused by an employer's willful failure to observe the terms of the safety and health section of a union contract or failure to comply with an official citation for a violation of federal and state laws involving occupational safety and health; provided, however, that benefits paid in accordance with this provision shall not be charged to the employer's experience rating account if, following official appeal proceedings, it is held that there was no willful failure on the part of the employer,

(b) who becomes unemployed because of a lockout,

(c) who is dismissed during the period of negotiation in any labor dispute and prior to the commencement of a strike, or

(d) unless he is unemployed because of a jurisdictional dispute between two or more unions.

Provided, however, that voluntary separation during the time that such strike or other labor dispute is in progress at such establishment shall not be deemed to terminate such individual's participation in or direct interest in such strike or other labor dispute for purposes of this subdivision.

Benefits paid to an employee who has left or partially or totally lost his employment because of a strike or other labor dispute shall not be charged to his employer's account unless the employer was a party to the particular strike or labor dispute.

Notwithstanding any other provision of his section, an individual whose last separation from employment with an employer occurred prior to the commencement of the strike or other labor dispute and was permanent or for an indefinite period, shall not be denied benefits or waiting week credit solely by reason of his failure to apply for or to accept recall to work or reemployment with the employer during any week in which the strike or other labor dispute is in progress at the establishment in which he was employed.

(6) [REFUSAL OF SUITABLE REEMPLOYMENT.] If such individual has failed without good cause to accept suitable reemployment offered by a base period employer. Such disqualification shall prevail for the week in which the failure occurred and for a period of seven weeks of unemployment following such failure until he

*has, subsequent to that separation, earned wages in insured work from which he has been separated under non-disqualifying conditions an amount equal to or in excess of six times his weekly benefit amount , provided such disqualification shall not apply if such individual is in training with the approval of the commissioner.*

Sec. 5. Minnesota Statutes 1974, Section 268.12, Subdivision 12, is amended to read:

Subd. 12. [INFORMATION.] Except as hereinafter otherwise provided, information obtained from any employing unit or individual pursuant to the administration of sections 268.03 to 268.24, and from any determination as to the benefit rights of any individual shall be held confidential and shall not be disclosed or be open to public inspection in any manner revealing the individual's or employing unit's identity. Any claimant or other interested party (or his legal representative) shall be supplied with information from the records of the department of employment services, to the extent necessary for the proper presentation of his claim, contention or refutation of any claim in which he is an interested party in any proceeding under these sections with respect thereto. Subject to such restrictions as the commissioner may by regulation prescribe, such information may be made available to any agency of this or any other state, or any federal agency charged with the administration of an employment and security law or the maintenance of a system of public employment offices, any local human rights department within the state which has enforcement powers, or the Bureau of Internal Revenue of the United States Department of the Treasury, and information obtained in connection with administration of the employment service may be made available to persons or agencies for purposes appropriate to the operation of a public employment service. Upon request therefor, the commissioner shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, or any local human rights department within the state which has enforcement powers, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under these sections. The commissioner may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of these sections, and may in connection with such request, transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the federal internal revenue code. *Upon request of the department of public welfare, the commissioner shall verify at a reasonable cost whether or not a person is or was employed for the dates or time requested. The department of public welfare shall maintain the information obtained as a private record within the meaning of section 15.162, subdivision 3, provided the information may be used by the department of public welfare for prosecuting violations of law.*

All letters, reports, communications, or any other matters, either

oral or written, from an employer or his workers to each other or to the commissioner or any of his agents, representatives, or employees, which shall have been written or made in connection with the requirements and administration of sections 268.03 to 268.24 or the regulations thereunder, shall be absolutely privileged and shall not be made subject matter or basis for any suit for slander or libel in any court of this state.

Sec. 6. Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) 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;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974, to the extent of the

credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to said buildings disallowed by section 290.101; ;

(12) *Benefits received from the fund established by Minnesota Statutes, Section 268.05, but only to the extent that the total of benefits and federal adjusted gross income exceeds \$8,000.*

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20;

(5) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(8) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is

excluded from gross income under the provisions of section 290.65; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, 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.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on

account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 7. Minnesota Statutes 1974, Section 290.61, is amended to read:

290.61 [PUBLICITY OF RETURNS, INFORMATION.] It shall be unlawful for the commission 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 and except as provided in section 290.361. *Upon request of the department of employment services the commissioner shall furnish to that department at a reasonable cost information as to whether or not a person received taxable wages during the year for which information is requested, and if he did receive taxable wages, the employer from which the wages were obtained. The department of employment services shall maintain the information obtained as a private record within the meaning of section 15.162, subdivision 3, provided the information may be used by the department of employment services for prosecuting violations of law. 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 and if the laws of the United States or of such state provide substantially for the same secrecy in respect to the information revealed thereby as is provided by our laws. 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.

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

Sec. 8. [EFFECTIVE DATE.] *Sections 1, 5 and 7 are effective for services performed subsequent to the day following final enactment. Section 2 is effective January 1, 1977. Section 3 is effective retroactive to January 1, 1976. Section 4 is effective for benefit years beginning on or after June 27, 1976. Section 6 is effective for taxes payable in 1977 on income earned in 1976.*"

Amend the title as follows:

Page 1, strike lines 3 to 19 and insert "providing for exclusion of certain part time services; providing for an emergency surtax in employer contributions; modifying disqualifying conditions for employment compensation; permitting information to be furnished to department of public welfare by commissioner of employment services; permitting information to be furnished to department of employment services by commissioner of revenue; providing taxation of unemployment compensation benefits in certain conditions; providing a penalty; amending Minnesota Statutes 1974, Sections 268.06, by adding a subdivision; 268.12, Subdivision 12; and 290.61; Minnesota Statutes, 1975 Supplement, Sections 268.04, Subdivision 12; 268.06, Subdivision 8; 268.09, Subdivision 1; and 290.01, Subdivision 20."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

H. F. No. 341: A bill for an act relating to teachers; providing for an executive director of the professional teaching practices commission; budget of professional teaching practices commission; appropriating money; amending Minnesota Statutes 1974, Sections 125.184, Subdivision 2; and 125.185, Subdivisions 4 and 6; repealing Minnesota Statutes 1974, Section 125.185, Subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 14, 20 and 24, strike "commission" and insert "board"

Page 1, strike lines 15 to 17, and insert "secretary who shall be in the unclassified civil service and who shall not be a member of the board."

Page 2, lines 1, 3 and 19, after "board" insert "of education"

Page 2, lines 2, 5, 8, 11, 13, 16, 20, 27 and 29, strike "commission" and insert "board"

Page 2, line 22, strike "1974" and insert ", 1975 Supplement"

Page 2, line 24, strike "commission" and insert "board"

Page 2, line 30, after the period insert "The expenses of adminis-

tering sections 125.01 to 125.187 shall be paid for from appropriations made to the *board and to the state board of education.*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2293: A bill for an act relating to aeronautics; appropriating and transferring money for construction of hangers.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, strike "hanger" and insert "hangar"

Further, amend the title as follows:

Page 1, line 3, strike "hangers" and insert "hangars"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2263: A bill for an act relating to highway traffic regulations; defining terms; authorizing flashing lights on certain vehicles; authorizing certain vehicles to be equipped with a flashing amber lamp and to display the lighted lamp under certain conditions; amending Minnesota Statutes 1974, Sections 169.01, by adding a subdivision; and 169.64, Subdivision 3, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 4, restore the stricken word "lights" and strike "*lamps on farm tractors*"

Page 2, line 6, strike "*and other vehicles*"

Page 2, line 12, strike "(a)"

Page 2, lines 16 to 19, strike all of clause (b) and insert:

*"(1) A service vehicle shall not display the lighted lamp when traveling upon the highway or at any other time except at the scene of a disabled vehicle or while engaged in snow removal or road maintenance."*

Page 2, line 20, strike "(c)" and insert "(2)"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2322: A bill for an act relating to motor vehicles; defin-

ing powers of the registrar of motor vehicles; providing for the appointment of private deputy registrars; providing for the appointment of a county license bureau director as deputy registrar; amending Minnesota Statutes 1974, Section 373.35, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Section 168.33, Subdivision 2; repealing Minnesota Statutes 1974, Section 373.36.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 7, strike “, or if” and insert “and”

Page 4, line 5, strike “*commissioner of public safety*” and insert “*registrar*”

Further, amend the title as follows:

Page 1, line 6, before “amending” insert “removing bond as qualification for certain deputy registrars and their employees;”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1886: A bill for an act relating to courts; providing for the election of Hennepin County municipal judges at the uniform municipal election; amending Minnesota Statutes 1974, Section 488A.021, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 29, insert:

*“(g) Except for provisions relating to the date of the election and except as otherwise provided in this subdivision, the laws governing general elections shall apply to the election of Hennepin county court judges. All cities and towns within the county shall have the same responsibilities with respect to the conduct of elections held pursuant to this subdivision as they have with respect to the conduct of elections of county officers generally.”*

Page 3, after line 1, insert:

*“Sec. 3. This act is effective on the day following final enactment.”*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1999: A bill for an act relating to elections; preparation of ballots; amending Minnesota Statutes 1974, Section 208.04; repealing Minnesota Statutes 1974, Sections 208.21 to 208.35.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, before "When" insert "*Subdivision 1.*"

Page 1, line 13, after the period insert "*The secretary of state shall certify the names of all duly nominated presidential and vice-presidential candidates to the county auditors of the several counties.*"

Page 1, line 13, after "auditor" insert ", subject to the rules of the secretary of state,"

Page 2, line 2, strike "shall be as" and insert "and"

Page 2, strike lines 3 to 10

Page 2, after line 16, insert:

*"Subd. 2. The rules for preparation and delivery of presidential ballots shall be the same as the rules for white ballots under section 203A.31. subdivision 3a. The state shall reimburse the counties for the cost of the preparation of the presidential ballot."*

Further, amend the title as follows:

Page 1, after line 2, insert: "imposing duties on the county auditor; repealing special provisions for voting in presidential elections;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2014: A bill for an act relating to retirement; increasing certain benefits and annuities; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "retirement fund;" insert "June 27, 1973, with respect to permanent disability benefits, retirement annuities, and retirement allowance options II, III and IV paid to surviving spouses pursuant to Minnesota Statutes 1971, Section 422.08 provided by the Minneapolis municipal employees retirement fund; April 25, 1959, with respect to survivor benefits paid to surviving spouses of contributing members provided by the Minneapolis municipal employees retirement fund;"

Page 2, line 11, after "retirement fund;" strike "or"

Page 2, line 12, after "retirement fund" strike the period and insert a semicolon

Page 2, after line 12, insert

"(6) the Minneapolis municipal employees retirement fund; or

(7) the legislators' retirement plan."

Page 2, line 22, after "and 3." insert "Provided however, that no plan participant who is receiving a permanent disability benefit or a retirement annuity from the Minneapolis municipal employees retirement fund in excess of \$500 per month shall be

entitled to an increase in such benefit or annuity pursuant to this act."

Page 3, line 26, after "and 3." insert "Provided however, that no surviving spouse who is receiving an option II, III or IV survivor retirement allowance pursuant to Minnesota Statutes 1971, Section 422.08 provided by the Minneapolis municipal employees retirement fund shall be entitled to an increase in such annuity pursuant to this act if the retirement annuity which was paid or payable to the plan participant was in excess of \$500 per month."

Page 4, line 18, strike "\$17,067,923" and insert "\$19,851,133"

Page 4, line 26, after "\$5,612,272" strike the period and insert a semicolon

Page 4, after line 26, insert

"(6) To the Minneapolis municipal employees retirement fund \$2,740,752;

(7) To the executive director of the Minnesota state retirement system for the purpose of paying increases to plan participants of the legislators' retirement plan pursuant to this act \$43,375;

(8) To the executive director of the Minnesota state retirement system for the purposes of paying increases to surviving spouses of plan participants of the legislators' retirement plan pursuant to this act for the fiscal year ending July 1, 1977 \$783."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1906: A bill for an act relating to licensed occupations; establishing a policy for the regulation of occupations; transferring responsibility for the provision of staffing and administrative services; clarifying reporting responsibilities; prescribing a procedure for complaint review; granting licensing boards additional powers relating to injunctive relief, subpoenas and continuing education; prescribing duties of the board of health relating to human services occupations, creating advisory councils; merging the licensed practical nursing board into the board of nursing; transferring employees and moneys; appropriating money; amending Minnesota Statutes 1974, Sections 125.182, Subdivision 3; 125.183, by adding a subdivision; 125.184, as amended; 125.185, as amended; 125.187; 144.955; 144.959; 147.021, Subdivision 1; 147.06; 147.13; 147.18; 147.23; 148.05; 148.06, Subdivision 1; 148.07, as amended; 148.10; 148.211, Subdivision 2; 148.241, Subdivision 1; 148.291, Subdivision 3; 148.57; 148.59; 148.90, as amended; 148.91, Subdivisions 1 and 3; 148.97, Subdivision 6; 148.98; 150A.04, Subdivision 5; 150A.06, Subdivision 1; 150A.08, Subdivision 4; 150A.09, Subdivision 3; 151.06, Subdivision 4; 151.10; 151.13; 151.14; 151.19; 151.25; 151.27;

155.02, Subdivision 7a; 155.03, Subdivision 2; 155.06, Subdivision 3; 155.09, Subdivisions 1, 4 and 5; 155.11, Subdivision 2; 155.14; 155.16; 155.18, Subdivision 1; 155.20, Subdivision 2; 156.01, Subdivision 5; 156.02, Subdivision 2; 156.03; 156.07; 156.072, Subdivisions 2 and 3; 156.081, Subdivision 1; 156.14; 214.06; 270.47; 326.08, Subdivision 1; 326.11, Subdivision 6; 326.15; 326.22, as amended; 326.23; 326.241, as amended; 326.242, Subdivisions 8 and 9; 326.33, Subdivisions 2 and 3; 326.331; 326.332, Subdivision 1; 326.334, Subdivisions 1 and 3; 326.54; 326.543; 326.544; 326.545; 326.546; 341.05, as amended; 341.06; 341.07; 341.08; 341.12; 341.13; 341.15; 386.63, Subdivisions 2 and 3; 386.64; 386.65, Subdivisions 1 and 2; 386.67; Chapter 214, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 125.183, Subdivision 3; 144.952, by adding a subdivision; 147.01; 147.02, Subdivision 1; 147.05; 148.03; 148.181; 148.191; 148.211, Subdivision 1; 148.261, Subdivision 1; 148.29, Subdivision 2; 148.291, Subdivision 1; 148.299; 148.52; 148.54; 148.60; 148.95; 150A.02, Subdivision 1; 150A.03, Subdivision 2; 151.03; 151.07; 153.02; 153.03; 153.04; 153.13; 154.22; 154.23; 155.05; 155.06, Subdivision 1; 155.08; 156.01, Subdivision 1; 214.04; 214.07; 270.41; 270.42; 326.03, Subdivision 1; 326.04; 326.05; 326.06; 326.08, Subdivision 2; 326.09; 326.10; 326.11, Subdivisions 1 and 5; 326.12; 326.13; 326.14; 326.17; 326.33, Subdivision 1; 326.541; 326.542; 341.01; 341.04; 341.10; 341.11; 386.63, Subdivision 1; 386.66; 386.68; repealing Minnesota Statutes 1974, Sections 144.956; 144.958; 144.965; 145.861; 145.862; 145.863; 145.864; 148.06, Subdivision 2; 148.281, Subdivision 2; 148.291, Subdivision 2; 148.55; 148.94; 148.97, Subdivision 2; 148.99, Subdivision 1; 150A.04, Subdivisions 1, 2, 3 and 4; 150A.07; 150A.08, Subdivision 2; 150A.09, Subdivision 2; 151.09; 153.10; 156.01, Subdivision 4; 326.08, Subdivision 3; 326.11, Subdivision 3; 326.16; 386.63, Subdivision 6; 386.65, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 145.865, Subdivision 1; 145.866; 148.211, Subdivision 3; 148.231, Subdivision 3; 148.291, Subdivision 4; 148.297, Subdivision 2; 148.55; 326.11, Subdivisions 2 and 4; 386.695; 386.696; and 386.70, Subdivisions 3, 4, 5 and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 1, strike the comma and insert "and"

Page 3, line 2, strike "and hearing officer"

Page 4, line 28, strike "Legal and"

Page 5, lines 4 to 5, strike "To the extent practicable, to insure consistency and competency,"

Page 5, line 8, after the period insert "Notwithstanding the foregoing, the attorney general shall not be precluded by this section from assigning other attorneys to service a board if necessary in order to insure competent and consistent legal representation."

Page 6, line 5, strike everything after the period.

Page 6, strike lines 6 to 11 and insert:

*"The executive secretaries serving the remaining boards shall be hired by those boards, and shall be in the unclassified civil service. Boards not requiring a full-time executive secretary may employ such services on a part-time basis. To the extent practicable the sharing of part-time executive secretaries by boards being serviced by the same department is encouraged."*

Page 6, line 12, strike "secretary and other"

Page 6, line 13, strike "for" and insert "Executive secretaries of the boards and"

Page 6, line 18, after the period insert "If necessary, a board may hire part-time, temporary employees to administer and grade examinations."

Page 6, line 21, after "[FEES" insert "; RENEWALS.] Subdivision 1. [ASSESSMENT OF FEES"

Page 7, after line 4, insert:

*"Subd. 2. [LICENSE RENEWALS.] Notwithstanding any law to the contrary, each health-related and non-health related licensing board shall promulgate rules providing for the renewal of licenses. The rules shall specify the period of time for which a license is valid, procedures and information required for renewal, and renewal fees to be set pursuant to subdivision 1."*

Page 9, line 32, after "communication" insert "on a form prepared by the attorney general"

Page 10, line 19, strike "empowered"

Page 10, line 20, strike "shall" and insert "is empowered to"

Page 10, line 23, after "or" insert ", if the board determines,"

Page 11, line 3, after "if" insert "after investigation"

Page 11, line 10, after the period insert "Before the designee of the attorney general or the executive secretary may direct the holding of a disciplinary hearing, he shall have considered the recommendations of the consulted board member."

Page 11, line 17, after the period, insert:

*"Nothing in this section shall preclude the board from scheduling, on its own motion, a disciplinary hearing based upon the findings or report of the board's executive secretary, a board member or the designee of the attorney general assigned to the board. Nothing in this section shall preclude a member of the board or its executive secretary from initiating a complaint."*

Page 11, line 19, after "it" insert "relating to its lawful regulation activities"

Page 12, line 17, after "to" insert "regulate or"

Page 13, line 6, strike "teacher standards and certification" and insert "teaching"

Page 14, line 5, strike "undertake" and insert "wherever possible delegate"

Page 14, lines 6 to 7, strike "or it may delegate this function"

Page 15, after line 30, insert

"Sec. 9. Minnesota Statutes, 1975 Supplement, Section 125.03, Subdivision 1, is amended to read:

125.03 [TEACHERS, DEFINITION, CERTIFICATION.] Subdivision 1. The term "teachers" for the purpose of ~~certification~~ *licensure*, means and includes any and all persons employed in a public school as members of the instructional and supervisory staff such as superintendents, principals, supervisors, classroom teachers, and librarians.

Sec. 10. Minnesota Statutes 1974, Section 125.04, is amended to read:

125.04 [QUALIFIED TEACHER DEFINED.] A qualified teacher is one holding a valid ~~certificate~~ *license*, as hereinafter provided, to perform the particular service for which he is employed in a public school.

Sec. 11. Minnesota Statutes 1974, Section 125.05, is amended to read:

125.05 [BOARD TO ISSUE LICENSES.] Subdivision 1. [QUALIFICATIONS.] The authority to ~~certify~~ *license* teachers as defined herein is vested in the ~~teacher standards and certification commission~~ *board of teaching* but based solely on criteria and qualifications approved by the state board of education. The authority to ~~certify~~ *license* superintendents and principals is vested in the state board of education. ~~Certificates~~ *Licenses* shall be issued to such persons as the ~~commission board~~ finds to be physically competent and morally fit to teach. Qualifications of teachers and other professional employees shall be determined by the ~~commission board~~ under the rules which it promulgates. ~~Certificates of qualifications of teachers~~ *Licenses* shall be issued by the commissioner and the commissioner shall issue ~~certificates~~ *licenses* to any qualified blind graduates of a school of education.

Subd. 2. [EXPIRATION AND RENEWAL.] Each ~~certificate~~ *license* shall bear the date of issue. ~~Certificates~~ *Licenses* shall expire and be renewed in accordance with rules promulgated by the ~~commission board~~. Renewal requirements for the renewal of a ~~certificate~~ *license* shall include the production of satisfactory evidence of successful teaching experience for at least one school year during the period covered by the ~~certificate~~ *license* in grades or subjects for which the ~~certificate~~ *license* is valid or the completion of such additional preparation as the ~~commission board~~ shall prescribe.

Subd. 3. [EFFECTIVE DATE.] This act is effective July 1, 1969. Nothing contained herein shall be construed as affecting the validity of a permanent certificate issued prior to July 1, 1969.

Sec. 12. Minnesota Statutes 1974, Section 125.06, is amended to read:

125.06 [APPLICANTS TRAINED IN OTHER STATES.]

When a ~~certificate~~ *license* to teach is authorized to be issued to any holder of a diploma or a degree of a Minnesota state college, or of the University of Minnesota, or of a liberal arts college, or a technical training institution, such ~~certificate~~ *license* may also, in the discretion of the ~~commission~~ *board of teaching*, be issued to any holder of a diploma or a degree of a teacher training institution of equivalent rank and standing of any other state, granted by virtue of the completion of a course in teacher preparation essentially equivalent in content to that required by such Minnesota state college or the university of Minnesota or a liberal arts college in Minnesota or a technical training institution as preliminary to the granting of a diploma or a degree of the same rank and class.

Sec. 13. Minnesota Statutes 1974, Section 125.08, is amended to read:

125.08 [TEACHERS' LICENSES, FEES.] Each application for the issuance, renewal, or extension of a ~~certificate~~ *license* to teach shall be accompanied by a processing fee in an amount set by the ~~commission~~ *board of teaching by rule*. Except as otherwise provided in this section, such fee shall be paid to the commissioner, who shall deposit them with the state treasurer, as provided by law, and report each month to the commissioner of finance the amount of fees collected. The fee as set by the ~~commission~~ *board* shall be nonrefundable for applicants not qualifying for a ~~certificate~~ *license*, provided however, that the fee shall be refunded by the state treasurer in those cases in which the applicant already holds a valid unexpired ~~certificate~~ *license*.

Sec. 14. Minnesota Statutes 1974, Section 125.09, Subdivision 1, is amended to read:

125.09 [SUSPENSION OR REVOCATION OF LICENSES.] Subdivision 1. [GROUNDS FOR REVOCATION.] The ~~commission~~ *board of teaching* may, on the written complaint of the board employing a teacher, ~~or of the superintendent of schools where such teacher is employed, or of a teacher organization, or of a teacher in a district where no teacher organization exists, or of the commissioner any other interested person~~, which complaint shall specify the nature and character of the charges, suspend or revoke such teacher's ~~certificate~~ *or license* to teach for any of the following causes:

- (1) Immoral character or conduct;
- (2) Failure, without justifiable cause, to teach for the term of his contract;
- (3) Gross inefficiency or wilful neglect of duty; or
- (4) Failure to meet ~~re-certification~~ *relicensure* requirements; or
- (5) Fraud or misrepresentation in obtaining a ~~certificate~~ *license*.

Sec. 15. Minnesota Statutes, 1975 Supplement, Section 125.11, is amended to read:

125.11 [RECORDING OF LICENSES; DISTRICT SUPERINTENDENT.] No person shall be accounted a qualified teacher until such person has filed for record with the district superintendent where such person intends to teach a *certificate license*, or certified copy thereof, authorizing such person to teach school in such district school system.

Sec. 16. Minnesota Statutes 1974, Section 125.12, Subdivision 1, is amended to read:

125.12 [EMPLOYMENT; CONTRACTS, TERMINATION.] Subdivision 1. [TEACHER DEFINED.] A superintendent, principal, supervisor, and classroom teacher and any other professional employee required to hold a *certificate license* from the state department shall be deemed to be a "teacher" within the meaning of this section.

Sec. 17. Minnesota Statutes 1974, Section 125.13, Subdivision 1, is amended to read:

125.13 [EXCHANGE TEACHERS.] Subdivision 1. A person holding a *certificate license* and contract to teach in a Minnesota public school and assigned by the employing district to teach elsewhere is an exchange teacher.

Sec. 18. Minnesota Statutes 1974, Section 125.17, Subdivision 1, is amended to read:

125.17 [TEACHER TENURE ACT; CITIES OF THE FIRST CLASS; DEFINITIONS.] Subdivision 1. [WORDS, TERMS AND PHRASES.] Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of the following subdivisions in this section shall be defined as follows:

(a) [TEACHERS.] The term "teacher" includes every person regularly employed, as a principal, or to give instruction in a classroom, or to superintend or supervise classroom instruction, or as placement teacher and visiting teacher. Persons regularly employed as counselors and school librarians shall be covered by these sections as teachers if *certificated licensed* as teachers or as school librarians.

(b) [SCHOOL BOARD.] The term "school board" includes a majority in membership of any and all boards or official bodies having the care, management, or control over public schools.

(c) [DEMOTE.] The word "demote" means to reduce in rank or to transfer to a lower branch of the service or to a position carrying a lower salary or compensation.

Sec. 19. Minnesota Statutes 1974, Section 125.182, Subdivision 2, is amended to read:

Subd. 2. "Teacher" means a supervisor, classroom teacher, or other similar professional employee required to hold a *certificate license* from the state department of education."

Page 16, line 2, strike "teacher standards and certification" and insert "*teaching*"

Page 16, line 7, after "board" insert "*of teaching*"

Page 16, line 23, strike "certification" and insert "*licensure*"

Page 16, line 28, after "fees;" insert "*the selection and duties of an executive secretary to serve the board;*"

Page 17, lines 7, 14, and 21, after "board" insert "*of teaching*"

Page 17, lines 26, 29 and 31, strike "*standards*"

Page 18, lines 1 and 5, strike "certification" and insert "*licensure*"

Page 18, lines 3, 7, 11, 14, 17, 20, 23, 27 and 31, strike "*standards*"

Page 18, lines 4, 7, 11, 14, 17, 20, 23, 27, and 31, after "board" insert "*of teaching*"

Page 18, lines 12, 13, 15, 16, and 18, strike "certificates" and insert "*licenses*"

Page 18, line 18, after "125.09" insert "*and section 5*"

Page 18, line 32, strike "certificated" and insert "*licensed*"

Page 19, lines 2, 20 and 22, strike "certificate" and insert "*license*"

Page 19, lines 3, 8, 11, 12, 20 and 29, strike "*standards*"

Page 19, lines 5 and 19, strike "certificated" and insert "*licensed*"

Page 19, lines 16 and 17, strike "*teacher standards and certification*" and insert "*teaching*"

Page 20, line 8, strike "teacher standards and certification" and insert "*teaching*"

Page 20, after line 13, insert:

"Sec. 26. *The revisor of statutes shall change the references to "teacher standards and certification commission" or "board of teacher standards and certification" or "commission" wherever they appear in chapters 121 to 129 and 214, to "board of teaching" or "board", as appropriate.*"

Page 22, lines 5 to 12, reinsert the stricken language

Page 26, line 3, after the period, insert "*The board may by rule establish fees for the renewal of licenses and permits authorized by this chapter. The board may assess a charge, to be set by rule, for the delinquent payment of a fee.*"

Page 30, line 23, strike "may" and insert "*shall*"

Page 30, line 23, strike the comma

Page 30, line 24, strike "discharge, and fix the compensation of"

Page 30, line 25, strike everything after "secretary"

Page 30, strike lines 26 to 28

Page 30, line 29, strike everything before the period

Page 35, lines 15 to 17 strike "first day of January of each year after a license is issued to them, as herein provided" and insert "*date of expiration of their licenses*"

Page 35, line 23, strike "an annual"

Page 35, line 23, after "renewal" insert "*of their*"

Page 35, line 23, strike "The"

Page 35, line 24, strike "*executive secretary shall, 30 days or*"

Page 35, strike lines 25 to 30

Page 38, line 12, after "in" insert "*professional*"

Page 38, line 14, after "øf" insert "*, and one of the five shall have had at least two years executive or teaching experience in practical nursing education*"

Page 39, line 4, strike "*, a nurse to hold office for a term of five*"

Page 39, strike line 5

Page 39, line 6, strike "expiration of the former term"

Page 39, line 22, strike "DIRECTOR" and insert "SECRETARY"

Page 39, line 26, strike "may" and insert "*shall*"

Page 39, line 27, strike "as hereinafter provided who"

Page 39, line 23, strike "*shall not be a member of the board*"

Page 40, line 2, strike "148.285" and insert "148.299"

Page 40, line 5, strike "148.285" and insert "148.299"

Page 40, line 8, strike "148.285" and insert "148.299"

Page 40, line 22, strike "148.285" and insert "148.299"

Page 40, after line 25, insert "*The board shall appoint an advisory task force on nursing education consisting of eleven members for the purposes of advising the board on matters pertaining to career progression and the approval and operation of nursing programs, assisting with surveys of nursing programs, collecting nursing education data and providing liaison between the board and nursing education. Three members shall be either an administrator or supervisor in one of the following types of agencies at the time of appointment and throughout his term: hospital, nursing home or community nursing service. The remaining eight members shall be either an administrator or faculty member in one of the following types of educational programs at the time of appointment and throughout his term: nursing assistant program, practical nursing program preparing for licensure, professional nursing program preparing for licensure, or advanced nursing program for licensed practical or registered nurses. The task force shall expire and the compensation and removal of members shall be as provided in section 15.059.*"

Page 41, line 4, strike "FEE"

Page 43, line 12, strike "148.285" and insert "148.299"

Page 47, after line 20, insert:

"Sec. 53. Minnesota Statutes 1974, Section 148.32, is amended to read:

148.32 [LICENSES; DENIAL, REVOCATION, REFUSAL.] All licenses to practice midwifery heretofore or hereafter issued by the board of medical examiners must be ~~annually~~ renewed and a fee of \$1 be paid for each renewal *as set by the board*. Licenses may be revoked, suspended, conditioned, limited, qualified or restricted, or renewals refused by the board for unprofessional or dishonorable conduct, or neglect to make proper returns to health officers of births, deaths, puerperal fever, and other contagious diseases.

A license to practice midwifery is suspended if (1) a guardian of the person of a licensee is appointed by order of a probate court pursuant to sections 525.54 to 525.612, for reasons other than the minority of the licensee; or (2) the licensee is committed by order of a probate court pursuant to sections 253A.01 to 253A.21 or 526.09 to 526.11. The license remains suspended until the licensee is restored to capacity by a court and, upon petition by the licensee, the suspension is terminated by the board after a hearing."

Page 51, lines 9 to 10, strike "Before April 1 each year, each authorized" and insert "*A licensed*"

Page 51, line 12, strike "in default of which the board"

Page 51, lines 14 to 15, strike "may revoke the license of any optometrist so in default; but the payment of"

Page 51, lines 15 to 16, strike "*the* fee at or before the time of hearing, with such additional sum,"

Page 51, line 17, strike "as may be fixed by the board, shall excuse"

Page 51, strike lines 18 to 23

Page 51, line 24, strike everything before the period and insert "*in order to renew his license as provided by board rule*"

Page 52, lines 7 to 8, strike "The secretary shall give such bond as the board shall from time to time require."

Page 52 after line 10, insert:

"Sec. 59. Minnesota Statutes, 1975 Supplement, Section 148.67, is amended to read:

148.67 [EXAMINING COMMITTEE.] The board of medical examiners shall appoint an examining committee in carrying out the provisions of this law, regarding the qualifications and examinations of physical therapists. The examining committee shall consist of five members, citizens and residents of the state of Minnesota, composed of three physical therapists, one licensed and registered doctor of

medicine in the general practice of medicine, and one professor or associate or assistant professor from a course in physical therapy accredited by the state board of medical examiners. *The committee shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059.*"

Page 54, lines 12 to 13, strike "of two years from date of issuance, but may be renewed biennially" and insert "*as set by the board*"

Page 59, after line 20 insert:

"Sec. 71. Minnesota Statutes 1974, Section 150A.09, Subdivision 1, is amended to read:

150A.09 [ANNUAL REGISTRATION OF LICENSE.] Subdivision 1. [RENEWAL INFORMATION AND PROCEDURE.] On or before the first day of January each year license expiration date every licensed dentist and dental hygienist shall transmit to the executive secretary of the board, upon a form prescribed by the board, his signature, office address or addresses, the number of his license certificate, whether such licensee has been engaged during the preceding year in the active practice of dentistry or dental hygiene, whether within or without the state, and such other pertinent information as may be required by the board, together with the fee established by the board and, in default of providing such information or payment of such fee, the board may, upon hearing and upon 30 days' notice, suspend the license of the dentist or dental hygienist during such default, but the providing of such information as requested by the board and the payment of such fee on or before the date of hearing, with an additional sum equal to that of the renewal fee, shall excuse the default and the suspension proceeding shall thereupon terminate. The board may collect such fee by civil action. At least 30 days before January 1 a license date expiration, the board shall cause a written notice stating the amount and due date of the fee and the information to be provided by the licensee, to be sent to every the licensed dentist and dental hygienist."

Page 60, after line 13, insert:

"Sec. 74. Minnesota Statutes, 1975 Supplement, Section 151.06, Subdivision 1, is amended to read:

151.06 [POWERS AND DUTIES.] Subdivision 1. The board of pharmacy shall have the power and it shall be its duty:

- (1) To regulate the practice of pharmacy;
- (2) To regulate the manufacture, wholesale, and retail sale of drugs or medicines within this state;
- (3) To regulate the identity, labeling, purity, and quality of all drugs and medicines dispensed in this state, using the United States pharmacopoeia and the national formulary, or any revisions thereof, or standards adopted under the federal act as the standard;
- (4) It may, by its duly authorized representative, enter and inspect any and all places where drugs or medicines are sold,

vended, given away, compounded, dispensed, manufactured, wholesaled or held; it may secure samples or specimens of any drug or medicine after paying or offering to pay for such sample; it shall be entitled to inspect and make copies of any and all records of shipment, purchase, manufacture, quality control, and sale of drugs or medicines provided, however, that such inspection shall not extend to financial data, sales data, or pricing data;

(5) To examine and ~~register~~ *license* as pharmacists all applicants whom it shall deem qualified to be such;

(6) To deny, suspend, revoke, or refuse to renew any registration or license required under chapter 151, to any applicant or registrant or licensee upon any of the following grounds:

(a) Fraud or deception in connection with the securing of such license or registration;

(b) In the case of a pharmacist, conviction in any court of a felony;

(c) In the case of a pharmacist, conviction in any court of an offense involving moral turpitude;

(d) Habitual indulgence in the use of narcotics, stimulants, or depressant drugs; or habitual indulgence in intoxicating liquors in a manner which could cause conduct endangering public health;

(e) Unprofessional conduct or conduct endangering public health;

(f) Gross immorality;

(g) Employing, assisting, or enabling in any manner an unlicensed person to practice pharmacy;

(h) Conviction of theft of drugs, or the unauthorized use, possession, or sale thereof;

(i) Violation of any of the provisions of this chapter or any of the rules or regulations of the state board of pharmacy;

(j) In the case of a pharmacy license, operation of such pharmacy without a pharmacist present and on duty;

(k) In the case of a pharmacist, physical or mental disability which could cause incompetency in the practice of pharmacy;

(7) To employ necessary assistants and make rules for the conduct of its business;

(8) To perform such other duties and exercise such other powers as the provisions of the act may require;

(9) For the purposes aforesaid it shall be the duty of the board to make and publish uniform rules and regulations not inconsistent herewith for carrying out and enforcing the provisions of this chapter."

Page 60, lines 25 and 30, strike "registration" and insert "licensure"

Page 60, line 28, strike "registered" and insert "*licensed*"

Page 61, after line 19, insert:

"Sec. 78. Minnesota Statutes 1974, Section 151.101, is amended to read:

151.101 [INTERNSHIP.] The board may ~~register~~ *license* as an intern any natural person who has satisfied the board that he is of good moral character, not physically or mentally unfit, and who has successfully completed the educational requirements for intern ~~registration~~ *licensure* prescribed by the board. The board shall prescribe standards and requirements for internship training but may not require more than one year of such training.

The board in its discretion may accept internship experience obtained in another state provided the internship requirements in such other state are in the opinion of the board equivalent to those herein provided.

Sec. 79. Minnesota Statutes 1974, Section 151.11, is amended to read:

151.11 [REGISTERED ASSISTANT PHARMACIST TO CONTINUE IN CERTAIN CASES.] It shall be lawful for all persons duly registered as assistant pharmacists prior to January 1, 1930, to ~~continue to~~ act as *such a licensed assistant pharmacist* and nothing herein shall prevent such persons from taking the examination for pharmacists upon proper application and payment of the examination fee.

Sec. 80. Minnesota Statutes 1974, Section 151.12, is amended to read:

151.12 [RECIPROCITY; LICENSURE FEE.] The board may in its discretion grant ~~registration~~ *licensure* without examination to any pharmacist licensed by the board of pharmacy or a similar board of another state which accords similar recognition to licensees of this state; provided, the requirements for ~~registration~~ *licensure* in such other state are in the opinion of the board equivalent to those herein provided. The fee for ~~registration~~ *licensure* shall be in such amount as the board may determine ~~not exceeding the sum of \$100 by rule.~~

Page 61, line 23, strike "registered" and insert "*licensed*"

Page 61, line 24, strike "annually"

Page 61, line 26, after the period insert "*The board may promulgate by rule a charge to be assessed for the delinquent payment of a fee.*"

Page 61, line 29, strike "every renewal" and insert "*license*"

Page 61, lines 29 to 30, strike " , not later than one year from its date"

Page 62, line 19, strike "council" and insert "*task force*"

Page 62, line 22, strike "Members of the"

Page 62, strike lines 23 to 32, and insert "*The task force shall expire, and the compensation and removal of members shall be as provided in section 15.059.*"

Page 63, line 27, strike "registration" and insert "*licensure*"

Page 64, after line 27, insert:

"Sec. 86 . Minnesota Statutes 1974, Section 151.37, Subdivision 5, is amended to read:

Subd. 5. Nothing in this chapter shall prohibit the sale to, or the possession of, a legend drug by ~~registered~~ *licensed* drug wholesalers, ~~registered~~ *licensed* manufacturers, registered pharmacies, any licensed hospital or bona fide hospitals wherein animals are treated or licensed pharmacists and licensed practitioners while acting within the course of their practice only.

Sec. 87 . Minnesota Statutes 1974, Section 151.37, Subdivision 6, is amended to read:

Subd. 6. Nothing in this chapter shall prohibit the possession of a legend drug by an employee or agent of a ~~registered~~ *licensed* manufacturer, ~~registered~~ *licensed* drug wholesaler or registered pharmacy, while acting in the course of his employment.

Sec. 88. Minnesota Statutes 1974, Section 151.40, is amended to read:

151.40 [POSSESSION AND SALE OF HYPODERMIC SYRINGES AND NEEDLES.] It shall be unlawful for any person to possess, have under his control, manufacture, sell, furnish, dispense, or otherwise dispose of hypodermic syringes or needles or any instrument or implement which can be adapted for subcutaneous injections, except by the following persons when acting in the course of their practice or employment: licensed practitioners, registered pharmacies and their employees or agents, ~~registered~~ *licensed* pharmacists, licensed doctors of veterinary medicine or their assistants, registered nurses, registered medical technologists, medical interns, ~~registered~~ *licensed* drug wholesalers, their employees or agents, licensed hospitals, licensed nursing homes, bona fide hospitals where animals are treated, licensed morticians, syringe and needle manufacturers, their dealers and agents, persons engaged in animal husbandry, clinical laboratories, persons engaged in bona fide research or education or industrial use of hypodermic syringes and needles provided such persons cannot use hypodermic syringes and needles for the administration of drugs to human beings unless such drugs are prescribed, dispensed, and administered by a person lawfully authorized to do so, persons who administer drugs pursuant to an order or direction of a licensed doctor of medicine or of a licensed doctor of osteopathy duly licensed to practice medicine."

Page 64, lines 31 to 32, strike "examiners and registration"

Page 65, line 25, strike "registration" and insert "*licensure*"

Page 66, lines 4 and 19, strike "registered" and insert "*licensed*"

Page 66, line 5, strike "certificate" and insert "license"

Page 66, line 9, strike "registration" and insert "licensure"

Page 66, line 14, strike "certificate of registration" and insert "license"

Page 66, line 20, strike "on or before July 1 of each year"

Page 66, after line 22, insert:

"Sec. 92. Minnesota Statutes 1974, Section 153.07, is amended to read:

153.07 [CANCELATION OF REGISTRATION.] The board after hearing may by majority vote revoke any ~~certificate issued by it and cancel the registration~~ license of any podiatrist who has been convicted of violation of the provisions of section 153.08. The board may after hearing by majority vote revoke the ~~certificate and cancel the registration~~ license of any person when the court records of any state or territory within the United States, or the federal court records, or the record of any court of jurisdiction in any foreign country, show that such person has been found guilty of a criminal offense. The board may after hearing by majority vote revoke the ~~certificate and cancel the registration~~ license of any person whose ~~registration~~ license was granted upon mistake of material fact. The board may subsequently, but not earlier than one year thereafter, by unanimous vote, ~~reissue any certificate and register~~ license anew any podiatrist whose ~~certificate~~ license was revoked and whose ~~registration~~ was canceled by the board.

Sec. 93. Minnesota Statutes 1974, Section 153.08, is amended to read:

153.08 [UNPROFESSIONAL CONDUCT.] The board may after hearing refuse to issue a ~~certificate~~ license to any person, or may revoke the ~~certificate and cancel the registration~~ license of any person ~~registered~~ licensed under the provisions of this chapter, who after investigation shall be found by a majority vote of the board guilty of grossly unprofessional and dishonest conduct. The words "unprofessional and dishonest conduct" shall be held to mean, within the provisions of this chapter:

(1) The willing betrayal of a professional secret;

(2) Having professional connection with, or lending the use of one's name to, an ~~unregistered~~ unlicensed podiatrist, or having professional connection with anyone who has been convicted in court of any criminal offense;

(3) Being guilty of offenses involving moral turpitude, habitual intemperance, or being habitually addicted to the use of morphine, opium, cocaine or other drugs having a similar effect, or for using, selling, or giving away any substance or compound containing alcohol or drugs for other than legal and legitimate purposes;

(4) Practice of podiatry with any type of business establishment other than an approved hospital or medical clinic or ac-

credited college or university, or private office or association with another podiatrist or medical practitioner; provided that any podiatrist may practice with any existing business establishment where podiatry is presently being practiced;

(5) Violation of any of the provisions of this chapter.

Sec. 94 . Minnesota Statutes 1974, Section 153.09, is amended to read:

153.09 [SUSPENSION OF LICENSURE.] The board may revoke or suspend for an indefinite period, but not less than six months, the ~~certificate of registration~~ *license* of any person found guilty under the provisions of section 153.08.

Sec. 95 . Minnesota Statutes, 1975 Supplement, Section 153.15, is amended to read:

153.15 [OFFENSES; PENALTIES.] Any person who shall unlawfully obtain ~~registration~~ *licensure* under this chapter, whether by false or untrue statements contained in his application to the board or by presenting to the board a fraudulent diploma, certificate, or license, or one fraudulently obtained, shall be deemed guilty of a misdemeanor; and, ~~upon conviction thereof, punished by a fine of not less than \$25 nor more than \$100 or by imprisonment for not less than 30 nor more than 90 days;~~ and any person not being lawfully authorized to practice podiatry in this state and ~~registered~~ *licensed* as aforesaid, who shall advertise as a podiatrist in any form, or hold himself out to the public as a podiatrist, or who shall attempt to mislead any person or the public into assuming that he or she is licensed, or who, not being duly licensed to practice medicine, osteopathy, or chiropractic in this state, shall offer to diagnose or treat the ailments of the human foot, or who shall diagnose or treat the ailments of the human foot by medicinal, mechanical, or surgical means, shall be guilty of a misdemeanor; and, ~~upon conviction thereof, for each offense, punished by a fine of not less than \$25 nor more than \$100 or by imprisonment for not less than 30 nor more than 90 days;~~ provided, that the simple sale of shoes, appliances or similar devices including arch supports and the adjustment thereof, or the sale of heel pads, cushions or other devices shall not be considered the practice of podiatry; however the adjusting of, or the addition of corrective wedging of said shoes, appliances or similar devices for correction of feet ailments except as provided above shall be by prescription of a licensed practitioner under the terms of this chapter. Provided, however, that no appliance prescribed by a podiatrist for the prevention, correction or relief of foot ailments or troubles shall be in any manner altered, adjusted or readjusted by any person other than licensed practitioner of podiatry.

It shall be unlawful for any person, firm, or corporation to publish directly or indirectly or circulate any fraudulent, false, or misleading statements as to the skill or method of practice of any person or operator in the practice of podiatry, or in any way to advertise podiatry as to be practiced without pain, or to advertise in

any manner with a view to deceiving the public, or to claim superiority over other podiatrists, or to publish reports of cases or certificates of same in any advertising media, or to advertise as using any anesthetic, drug, formula, material, medicine, method, or system, or to advertise free podiatry services or examinations, or to advertise any amount as a price or fee for the service of any person engaged in the practice of podiatry. Any licensed ~~and registered~~ podiatrist may announce by way of a professional card containing only the name, title, degree, office location, office hours, telephone number, and residence address and telephone number, if desired, and if he limits his practice to a specialty he may announce it, but such card shall not be greater in size than eight column inches, and such information may be inserted in public print when not more than two columns in width and four inches in depth; outdoor or similar signs shall not exceed 12 by 18 inches and the text limited to the above qualifications. It shall not be considered unprofessional or unlawful to conduct an educational campaign to give information as to the practice of podiatry, providing such campaign is first approved by the board. Any person violating any of the provisions of this section as it relates to advertising shall be guilty of a misdemeanor."

Page 66, after line 31, insert:

"Sec. 97 . Minnesota Statutes 1974, Section 154.04, is amended to read:

154.04 [PERSONS EXEMPT FROM COMPLIANCE.] The following persons are exempt from the provisions of this chapter while in the proper discharge of their professional duties:

(1) Persons authorized by the law of this state to practice medicine, surgery, osteopathy, and chiropractic;

(2) Commissioned medical or surgical officers of the United States army, navy, or marine hospital service;

(3) Registered nurses, *licensed practical nurses* and nursing aides performing services under the direction and supervision of a registered nurse, provided, however, that no additional compensation shall be paid for such service and patients who are so attended shall not be charged for barbering;

(4) Persons practicing beauty culture , *provided, however, that persons practicing beauty culture shall not hold themselves out as barbers or, except in the case of manicurists, practice their occupation in a barber shop.*"

Page 71, line 20, strike "Such"

Page 71, strike lines 21 to 23

Page 72, line 32, strike "Renewal"

Page 72, line 32, after "license" insert "*renewal periods and*"

Page 74, after line 7, insert:

"Sec. 111. Minnesota Statutes 1974, Section 155.15, is amended to read:

155.15 [LICENSES; DISPLAY, RENEWAL.] Every holder of a license granted by the board, as provided in this chapter, shall display it in a conspicuous place in his place of business. All licenses shall expire ~~December 31 on the date each year as set forth of the year in which issued~~, unless renewed as herein provided. The holder of a license issued by the board shall ~~annually, on or before December 31, renew his license and pay the renewal fee as prescribed by the board~~. If such license is not renewed on or before ~~December 31 of the year in which it is issued~~ the designated date, such licensee shall pay a penalty of \$1, ~~in addition to the renewal fee of an operator's license and \$2, in addition to the renewal fee of a manager operator's or manicurist's license.~~

In the event that such renewal shall be applied for more than ~~one year~~ *3 months* subsequent to the expiration date of the last license, then such applicant shall be required to take an examination in the same manner as if no license had ever been issued."

Page 76, after line 2, insert:

"Sec. 114. Minnesota Statutes 1974, Section 155.19, is amended to read:

155.19 [SERVICES EXCEPTED; EMERGENCY.] Nothing in this chapter shall prohibit services in cases of emergency where compensation or other reward is not received, nor in domestic service, nor services by persons authorized and licensed under the laws of this state to practice medicine, surgery, dentistry, podiatry, osteopathy, chiropractic, or barbering. This section shall not be construed to authorize any of the persons so exempted to wave the hair, or to color, tint, or bleach the hair, in any manner. *This section shall not be construed to permit a barber to practice barbering in a beauty shop.*"

Page 78, line 16, strike "ANNUAL REGISTRATION" and insert "LICENSE RENEWAL"

Page 78, line 22, strike everything after "shall"

Page 78, strike line 23

Page 78, line 24, strike everything before the period and insert "*periodically renew his license in a manner set by the board*"

Page 78, line 27, strike "Fees shall"

Page 78, strike lines 28 to 29

Page 78, line 30, strike "Notice of"

Page 78, line 30, strike "*the fee shall be given to all veterinarians*"

Page 78, strike line 31

Page 78, line 32, strike "which the license fee is due." and insert "*Renewal*"

Page 79, line 1, after the period insert "*The board may assess a charge for delinquent payment of a renewal fee.*"

Page 79, strike lines 2 to 10

Page 79, lines 15 to 16 and 23 to 24, strike "for annual registration"

Page 83, after line 20, insert:

"Sec. 128. Minnesota Statutes, 1975 Supplement, Section 270.48, is amended to read:

270.48 [LICENSURE OF QUALIFIED PERSONS.] The board shall ~~certify~~ *license* persons as possessing the necessary qualifications of an assessing official. Different levels of ~~certification~~ *licensure* may be established as to classes of property which assessors may be certified to assess at the discretion of the board. Every person, except a local or county assessor, regularly employed by the assessor to assist in making decisions regarding valuing and classifying property for assessment purposes shall be required to become ~~certified~~ *licensed* within three years of his date of employment or June 1, 1975, whichever is later. ~~Certification~~ *Licensure* shall be required for local and county assessors as otherwise provided in sections 270.41 to 270.53.

Sec. 129. Minnesota Statutes 1974, Section 270.50, is amended to read:

270.50 [EMPLOYMENT OF LICENSED ASSESSORS.] Commencing June 15, 1975, no assessor shall be employed who has not been ~~certified~~ *licensed* as qualified by the board, provided the time to comply may be extended after application to the board upon a showing that ~~certified~~ *licensed* assessors are not available for employment. The board may ~~certify that~~ *license* a county or local assessor who has not received the training, but possesses the necessary qualifications for performing the functions of his office by the passage of an approved examination or may waive the examination if such person has demonstrated competence in performing the functions of his office for a period of time the board deems reasonable. The county or local assessing district shall assume the cost of training of its assessors in courses approved by the board for the purpose of obtaining the assessor's ~~certificate~~ *license* to the extent of course fees, mileage, meals and lodging, and recognized travel expenses not paid by the state. If the governing body of any township or city fails to employ an assessor as required by sections 270.41 to 270.53, the assessment shall be made by the county assessor.

A town shall pay its assessor \$20 for each day the assessor is attending approved courses or taking the examination. In addition, the town shall pay its assessor \$10 for each approved course successfully completed and \$20 upon his ~~certification~~ *licensure*. The maximum payable to an assessor for successful completion of courses and ~~certification~~ *licensure* shall not exceed \$50.

In the case of townships organized after the effective date of this act except towns located in counties enumerated in section 391.01 or which have elected a county assessor system in accordance with section 273.055, the board shall allow the town adequate time to employ a ~~certified~~ *licensed* assessor.

Sec. 130. Minnesota Statutes 1974, Section 270.51, is amended to read:

270.51 [PREVIOUSLY ACCREDITED ASSESSORS.] All assessors previously accredited by the commissioner of revenue shall be considered as qualified under sections 270.41 to 270.53 and shall be so *certified licensed*."

Page 84, lines 14 to 15, strike "as defined for purposes of Laws 1973, Chapter 638"

Page 85, line 25, strike "certificates of registration" and insert "*licenses*"

Page 85, line 26, strike "bylaws and"

Page 87, line 22, strike "registered" and insert "*licensed*"

Page 89, line 21, strike "Subd. 4. [EXPIRATION.]"

Page 89, strike lines 22 to 25

Page 89, line 26, strike "mail, every person"

Page 89, line 26, strike "*licensed* of the date of the"

Page 89, strike lines 27 to 28

Page 89, line 29, strike everything after "~~registrant~~"

Page 89, strike line 30

Page 89, line 31, strike "the expiration of the"

Page 89, line 31, strike "*license*. Renewal may be"

Page 89, strike line 32

Page 90, strike lines 1 to 2

Page 90, lines 4 to 5, strike "certificate before June 30 of the year of expiration" and insert "*license*"

Page 90, lines 12, 22 and 32, restore the stricken "certification" and strike "*licensure*"

Page 90, lines 19 and 29, restore the stricken "certificate"

Page 90, lines 19 and 30, strike "*license*"

Page 91, line 8, restore the stricken "certificate"

Page 91, line 9, strike "*license*"

Page 92, line 18, strike everything after "board."

Page 93, line 5, strike "registrant" and insert "*licensee*"

Page 95, line 32, strike "REGISTERED AND"

Page 97, line 24, strike "certificates" and insert "*licenses*"

Page 98, line 3, strike "certificate" and insert "*license*"

Page 98, lines 30 to 31, strike "on May 1 of each year"

Page 98, line 31, strike "within 30 days for one year"

Page 99, lines 2 to 3, strike "on or before June 30 of the year in which issued, such" and insert "*before its expiration, the*"

Page 99, strike lines 5 to 6

Page 99, line 8, strike "certificate" and insert "*license*"

Page 99, line 25, strike "AND CERTIFICATES"

Page 101, after line 27, insert:

"Sec. 154. Minnesota Statutes, 1975 Supplement, Section 326.18, is amended to read:

326.18 [BOARD, DUTIES, OFFICERS, EXAMINATIONS.] A majority of the board shall constitute 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 four members of the board shall be considered as 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 moral character a general public experience, as prescribed in sections 326.17 to 326.23, in all examinations conducted thereunder. The board shall make rules and regulations for the conduct of applicants' examinations and the character and scope of such 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 326.17 to 326.23. All such 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 20 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 further rules and regulations, including but not limited to rules of professional conduct, pertaining to corporations practicing public accounting which it deems consistent with or required by the public welfare.

The board shall keep records of its proceedings, an accurate list of all applications made, ~~certificates~~ licenses issued, ~~certificates registered,~~ and ~~certificates~~ licenses 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 meets the initial requirements of a certified public accountant a certificate to that effect, and shall maintain a record of that 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 issued or ~~registered~~ 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. 155. Minnesota Statutes 1974, Section 326.19, is amended to read:

326.19 [LICENSURE; QUALIFICATION OF ACCOUNTANT.] Subdivision 1. [LICENSES TO WHOM GRANTED.] No ~~certificate~~ *license* for a certified public accountant shall be granted, except as provided herein or in subdivisions 2 and 3, to any person other than one who is over the age of 18 years and of good moral character and who shall have completed at least three years of public accounting experience (1) as a staff employee of a certified public accountant or public accountant or (2) as an auditor in the office of legislative auditor or state auditor, an auditor in the division of cooperative accounting, state department of agriculture, or as an auditor or examiner with any other agency of government, which experience, in the opinion of the board is equally comprehensive and diversified or (3) as a self-employed public accountant or as a partner in a firm of public accountants or (4) in any combination of the foregoing capacities, and who shall have successfully passed an examination in such subjects as the board may prescribe in its rules. No person qualifying under this section shall be permitted to take such examination unless he shall have completed the above experience requirements. This subdivision shall expire July 1, 1976.

Subd. 2. [LICENSES; GRANTING; EXAMINATION.] The ~~certificate~~ *license*, certified public accountant, shall be granted to any person:

- (a) Who has attained the age of 18 years; and
- (b) Who is of good moral character; and
- (c) Who holds:

(i) a master's degree with a major in accounting from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or who has in the opinion of the board at least an equivalent education, providing at least one year of experience of the type specified in subdivision 4, has been completed; or

(ii) a baccalaureate degree, with a major in accounting, from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or whose credits are acceptable to the University of Minnesota for admission to graduate study, or who has in the opinion of the board at least an equivalent education, providing at least two years experience of the type specified in subdivision 4, has been completed; or

(iii) a baccalaureate degree from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or whose credits are acceptable to the University of Minnesota for admission to graduate study, or who has in the opinion of the board at least an equivalent education, providing at least three years experience of the type specified in subdivision 4, has been completed; or

(iv) evidence of having completed two or more years of study with passing grade average or above from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or whose credits are acceptable to the University of Minnesota for admission to graduate study, or an area vocational technical school, a Minnesota licensed private vocational school which fulfills the requirements of sections 141.21 to 141.36, or who has in the opinion of the board at least an equivalent education, providing at least five years experience of the type specified in subdivision 4, has been completed; or

(v) a diploma as a graduate of an accredited high school or who has in the opinion of the board at least an equivalent education, providing at least six years experience of the type specified in subdivision 4, has been completed; and

(d) Who has completed successfully an examination in such subjects and at such times, as the board may prescribe in its rules. The examination shall be administered by the board only to a candidate who holds:

(i) a baccalaureate degree with a major in accounting or higher degree, as described in clause (c) (i) or clause (c) (ii) or to persons having at least an equivalent education, or to candidates for such degree providing such candidate is currently registered in his final semester or quarter preceding graduation, or

(ii) a baccalaureate degree, as described in clause (c) (iii), provided at least one year experience of the type specified in subdivision 4, has been completed, or

(iii) evidence of having completed two or more years of study with passing grade average or above from a college, university, area vocational technical school or a Minnesota licensed private vocational school which fulfills the requirements of sections 141.21 to 141.36, as described in clause (c) (iv), provided at least three years experience of the type specified in subdivision 4, has been completed, or

(iv) a diploma as a graduate of an accredited high school, as described in clause (c) (v), provided at least five years experience of the type specified in subdivision 4, has been completed.

Subd. 3. [LICENSE WITHOUT EXAMINATION.] The state board of accountancy may, in its discretion, waive the examination of and may issue a ~~certificate~~ *license* for certified public accountant to any person possessing the qualifications mentioned in this section, who:

(a) Is the holder of a C.P.A. *license* or certificate, issued under the laws of another state, provided the requirements for the degree or certificate in the state which has granted it to the applicant are, in the opinion of the state board of accountancy, equivalent to those herein provided; or

(b) Shall be the holder of a degree or certificate of certified public accountant or chartered accountant, or the equivalent thereof,

issued in any foreign country, provided that the requirements for such degree or certificate are equivalent to those herein provided for the ~~degree or certificate~~ *license* of certified public accountant in this state.

(c) Shall in another jurisdiction have completed successfully an examination which, in the opinion of the board, is comparable to that prescribed by the board in its rules and provided that such person has satisfied the other requirements of subdivision 2.

Subd. 4. [QUALIFYING EXPERIENCE FOR EXAMINATION AND GRANTING OF LICENSE.] Qualifying experience for subdivisions 2 and 3 shall include public accounting experience (1) as a staff employee of a certified public accountant or public accountant, a firm of certified public accountants or public accountants, or a corporation formed for the practice of public accounting; or (2) as an auditor in the office of the legislative auditor or state auditor, or as an auditor or examiner with any other agency of government, which experience, in the opinion of the board is equally comprehensive and diversified; or (3) as a self-employed public accountant or as a partner in a firm of public accountants; or (4) in any combination of the foregoing capacities.

Sec. 156. Minnesota Statutes 1974, Section 326.20, is amended to read:

326.20 [RENEWAL.] Subdivision 1. [LICENSE RENEWAL OF CERTIFIED PUBLIC ACCOUNTANTS.] Every holder of a certified public accountant ~~certificate~~ *license* issued by the board, if he is engaged, or intends to be engaged, in public practice within this state at any time during a calendar year shall ~~obtain a registration card for such year~~ *renew his license as prescribed by the board.*

The board shall, in December of each year, upon application made by any holder of an unrevoked Minnesota ~~certificate and license~~ as a certified public accountant ~~issue a registration card~~ *renew the license* which shall be good until ~~December 31 of the next succeeding year~~ *for a period prescribed by the board*, unless the said ~~certificate or license~~ shall sooner be revoked. ~~Interim registration cards licenses~~ shall be issued to individuals who have satisfied the provisions of sections 326.17 to 326.23 within the year.

Subd. 2. [LICENSURE OF PARTNERSHIPS.] Every partnership in which one or more certified public accountants of this state is a partner, if it is engaged, or intends to be engaged, in public practice within this state at any time during a calendar year shall register with the state board of accountancy for such year. Upon application made upon the affidavit of a general partner of such partnership who is a certified public accountant of this state in good standing, the board shall, in December of each year, ~~issue a registration card license~~ which shall be good until ~~December 31 of the next succeeding year~~ *for a period prescribed by the board*, unless the said ~~registration license~~ shall sooner be revoked. ~~Interim registration cards licenses~~ shall be issued to partnerships who have satisfied the provisions of this subdivision. The application shall confer upon the board the consent of the partnership, and of the

general partner making the application, to the board's jurisdiction over the acts of the partnership and its partners or agents within the state.

Subd. 3. [UNLICENSED PRACTICE.] It shall be unlawful for any certified public accountant or any partnership containing one or more certified public accountants to engage in public practice within this state unless such certified public accountant or partnership is duly registered *licensed* as provided by this section. A partnership shall be deemed in public practice within this state if it performs professional accounting services for a fee. A certified public accountant shall be deemed in public practice within this state if he performs professional accounting services for a fee within this state.

Sec. 157. Minnesota Statutes 1974, Section 326.21, is amended to read:

326.21 [HOLDER OF LICENSE, HOW STYLED.] Any person who has received from the state board of accountancy a certificate of his qualifications to practice as a certified public accountant shall be known and styled a certified public accountant; and no other person who has not received such a certificate shall assume such title or the title of certified accountant, or the abbreviation C.P.A., or any other words, letters, or abbreviations tending to indicate that the person so using the same is a certified public accountant. No partnership shall style itself as a firm of certified public accountants unless (1) all partners resident in this state are certified public accountants of this state and (2) all managers in charge of offices maintained in this state are certified public accountants of this state and (3) all partners, wherever situated, are certified public accountants of one of the states or territories or of the District of Columbia and (4) the partnership is duly registered *licensed* under section 326.20. No corporation, other than one duly registered *licensed* under the laws of this state shall style itself as certified public accountants, or use the abbreviation C.P.A. in connection with its corporate name."

Page 101, lines 31 to 32, strike "EXAMINATION AND CERTIFICATE" and insert "LICENSE AND RENEWAL"

Page 102, line 9, strike "an annual registration card" and insert "*a license*"

Page 102, line 10, after "annual" insert "*renewal*"

Page 102, line 25, strike "registration" and insert "*license*"

Page 103, line 6, strike "registrations" and insert "*licenses*"

Page 103, line 10, strike "registration" and insert "*license*"

Page 104, lines 29 to 32, reinsert the stricken language

Page 105, lines 1 to 3, reinsert the stricken language

Page 105, lines 10 to 11, strike "one year from the date of issuance" and insert "*in a manner as provided by the board*"

Page 110, after line 26, insert:

"Sec. 168. Minnesota Statutes 1974, Section 326.333, is amended to read:

326.333 [INFORMATION AND MATERIAL ACCOMPANYING APPLICATION.] Each such application shall be accompanied by:

(1) A surety bond executed by a company authorized to do business in the state of Minnesota wherein the applicant shall be principal, with sureties to be approved by the commissioner of public safety, to the state of Minnesota, in the penal sum of \$5,000, upon the condition that applicant and each of applicant's employees shall faithfully observe all the laws of Minnesota and of the United States, including sections 326.331 to 326.339, and shall pay all damages suffered by any person by reason of the violation of any such law by applicant or by the commission of any wilful and malicious wrong by any such applicant in the course of the conduct of such business. Action upon such bond may be brought by any person so aggrieved not later than within two years of the act complained of;

(2) For each person signing the application the verified certificates of at least five citizens not related to the signer who have known the signer for more than five years, certifying that the signer is of good moral character;

(3) Two photographs and a full set of fingerprints for each person signing the application;

(4) A duly acknowledged certificate evidencing the fact that at least one of the persons signing the application for private detective has been regularly employed as a detective by a licensed detective agency or has been a member of the United States government investigative service, a sheriff or member of a city police department of a rank or grade of sergeant or higher, or equivalent occupation, for a period of not less than three years;

(5) An acknowledged certificate evidencing the fact that at least one of the persons signing the application for protective agent has been regularly employed as a detective or has been a member of the United States government investigative service, a sheriff or member of a city police department of a rank or grade higher than that of patrolman, or equivalent part-time occupation or special training, for a period of not less than three years; or has completed a course prescribed by the state police officers training board."

Page 111, line 9, after "office" insert "*for at least 20 days*"

Pages 111 and 112, strike Section 133

Page 116, line 4, strike "an annual" and insert "*a*"

Page 116, line 15, strike "such annual license" and insert "*the*"

Page 116, line 21, strike "an annual" and insert "*a license*"

Page 117, strike lines 19 to 24

Page 119, after line 7, insert:

“Sec. 181. Minnesota Statutes 1974, Section 386.61, Subdivision 2, is amended to read:

Subd. 2. “Registered *Licensed* abstracter” means any official, person, firm or corporation obtaining ~~certificates of registration licenses~~ pursuant to the terms of sections 386.61 to 386.76; and includes (1) present duly qualified and acting registers of deeds not now prohibited by law from making abstracts; (2) any person, firm or corporation engaged in the business of making abstracts of title and issuing certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not.

Sec. 182. Minnesota Statutes, 1975 Supplement, Section 386.62, is amended to read:

386.62 [LICENSE REQUIRED.] No official, person, firm, association or corporation shall engage in the business of making abstracts of title and issuing certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, without first obtaining a ~~certificate of registration license~~ pursuant to the provisions of sections 386.61 to 386.76.”

Page 120, lines 14 to 15, strike “; and it may retain administrative or legal counsel, if deemed necessary”

Page 120, lines 31 to 32, strike “CERTIFICATE OF REGISTRATION” and insert “LICENSE”

Page 121, lines 1, 20 and 24, strike “certificate of registration” and insert “*license*”

Page 122, lines 26 and 29, strike “registered” and insert “*licensed*”

Page 123, line 4, strike “registered” and insert “*licensed*”

Page 123, after line 15, insert:

“Sec. 191. Minnesota Statutes 1974, Section 386.69, is amended to read:

386.69 [LICENSES; CONTENTS, TERM.] ~~The certificates~~ *Licenses* issued by said board under the provisions hereof shall recite that such bond or insurance policy has been duly filed and approved, and ~~such certificates~~ *the license* shall authorize the official, person, firm or corporation named in it to engage in and carry on the business of an abstracter of real estate titles in the county in which said official, person, firm or corporation is authorized to make abstracts. ~~The certificate license shall be issued for the term of one year, and expires on July 1 of each year, and shall be renewable annually, as of such date, in each succeeding year, a period as determined by the board, and shall thereafter be renewed upon conditions prescribed by the board.~~

Sec. 192. Minnesota Statutes, 1975 Supplement, Section 386.70, Subdivision 1, is amended to read:

386.70 [DENIAL, SUSPENSION AND REVOCATION OF LICENSES, INVALIDATING BONDS.] Subdivision 1. The board may by order deny, suspend or revoke any ~~certificate~~ *license*, may censure an abstractor holding a ~~certificate~~ *license* or may hold and declare a bond or insurance policy insufficient and invalid if it finds (1) that the order is in the public interest, and (2) that the applicant or abstractor holding the ~~certificate~~ *license* or, if the holder of the certificate is a firm or corporation, any officer, director, partner, employee or agent thereof:

(a) Has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(b) Has engaged in a fraudulent, deceptive or dishonest practice;

(c) Is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the real estate business;

(d) Has failed to reasonably supervise his employees or agents so as to cause injury or harm to the public;

(e) Has been convicted of a felony;

(f) Has been habitually careless or inattentive to business;

(g) Has failed to employ competent abstractors; or

(h) Has violated or failed to comply with any provision of sections 386.61 to 386.76 or any rule or order hereunder.

Sec. 193. Minnesota Statutes, 1975 Supplement, Section 386.71, is amended to read:

386.71 [LICENSED ABSTRACTERS, ACCESS TO PUBLIC RECORDS.] Except as provided in Laws 1974, Chapter 435, Section 3.11 (c), ~~registered~~ *licensed* abstractors shall have access during ordinary office hours to the public records in the office of the register of deeds in the county in which such abstractor is authorized to function, to make such memoranda, microfilm, photostats, photographs, or notations from the records thereof as may be necessary for the purpose of making or compiling abstracts, continuations thereof, or issuing certificates showing ownership of, or interest in, or liens upon any lands in the state, whether registered or not, and the compiling, posting, copying and keeping up their abstract books, indices, or other records necessary to carry on or perform the duties and functions of a ~~registered~~ *licensed* abstractor, provided that such access during ordinary office hours shall in no manner hinder or interfere with the public officer in the performance of his official duties.

Sec. 194. Minnesota Statutes 1974, Section 386.72, is amended to read:

386.72 [ABTRACTOR'S CERTIFICATE AS PRIMA FACIE EVIDENCE.] Any abstract of title, continuation thereof or certificate showing ownership of, or interest in, or liens upon any

lands in the state of Minnesota, whether registered or not, certified to be true and correct by any ~~registered~~ *licensed* abstractor under the signature and seal of such abstractor, shall be received by the courts of this state as prima facie evidence of the existence or nonexistence of records, the content and filing indicated on such abstract, continuation thereof or certificate hereinbefore described.

Sec. 195. Minnesota Statutes 1974, Section 386.73, is amended to read:

386.73 [REGISTERS OF DEEDS, MAY EMPLOY LICENSED ABSTRACTERS.] Nothing herein shall prohibit any register of deeds who does not hold a certificate of authority pursuant to the provisions hereof from employing a ~~registered~~ *licensed* abstractor and issuing abstracts pursuant to sections 386.61 to 386.76.

Sec. 196. Minnesota Statutes 1974, Section 214.01, Subdivision 1. is amended to read:

214.01 [DEFINITIONS.] Subdivision 1. The words defined in this section for purposes of ~~sections 214.01, and 214.04 to 214.06~~ *this chapter* have the meanings given them unless the context clearly requires otherwise.

Sec. 197. Minnesota Statutes, 1975 Supplement, Section 214.01, Subdivision 2, is amended to read:

Subd. 2. "Health related licensing board" means the board of examiners of nursing home administration established pursuant to section 144.952, the board of medical examiners created pursuant to section 147.01, the board of nursing created pursuant to section 148.181, the board of chiropractic examiners established pursuant to section 148.02, ~~the board of licensed practical nursing created pursuant to section 148.29,~~ the board of optometry established pursuant to section 148.52, the board of ~~examiners of~~ *psychologists* established pursuant to section 148.90, the board of dentistry established pursuant to section 150A.02, the board of pharmacy established pursuant to section 151.02, the board of podiatry ~~examiners and registration~~ established pursuant to section 153.02, and the ~~veterinary examining~~ *board of veterinary medicine*, established pursuant to section 156.01.

Sec. 198. Minnesota Statutes, 1975 Supplement, Section 214.09, Subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Members of the boards shall be compensated at the rate of \$35 per day spent on board activities, *when authorized by the board*, plus expenses in the same manner and amount as received by state employees. Members who are full-time state employees or employees of the political subdivisions of the state shall not receive the \$35 per day, ~~but they shall suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board if the major part of their activities occur during normal working hours for which they are also compensated by the state or political subdivision. A board member who is an employee of the state or political subdivision shall suffer no loss in compensation or bene-~~

*fits as a result of their service on the board. Members who are state employees or employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source."*

Page 123, line 16, strike everything after "153."

Page 123, strike lines 17 to 22 and insert:

*"To the extent possible in order to be consistent with section 9, the present members of the allied health manpower credentialing committee shall be the initial members of the human services occupations advisory council."*

Page 124, line 5, after the period, insert *"The commissioner of finance shall transfer to the appropriate department or board funds appropriated in respect to powers, duties, personnel or services which are transferred by this act."*

Page 124, line 20, after the period insert *"The report shall comment upon the effectiveness of the staffing pilot program provided in subdivision 3 and shall recommend whether the program should be expanded or discontinued."*

*Subd. 3. Notwithstanding the provisions of section 2, subdivision 3, the commissioner of health and the chairman of the commerce commission shall each appoint, with the approval of the affected licensing boards, one unclassified employee of their respective departments who shall each serve as the executive secretary for two or more of the boards not listed in section 2, subdivision 3 and which are serviced by the respective departments. This staffing pilot program shall terminate July 1, 1978, unless extended by the legislature."*

Page 124, strike lines 21 to 32

Page 125, strike lines 1 to 15 and insert:

*"Sec. 201. [REVISOR'S INSTRUCTIONS.] In the next and subsequent editions of Minnesota Statutes the revisor of statutes shall substitute the terms "licensed teacher," "licensure" or similar appropriate terminology respecting licensure of teachers, for the terms "certified teacher," "certification" in respect to teachers, and similar terminology relating to teacher certification."*

Page 125, line 17, after "Sections" insert *"125.09, Subdivisions 2 and 3;"*

Page 125, line 17, after "144.958;" insert *"144.96;"*

Page 125, line 18, after "2;" insert *"148.08, Subdivision 1;"*

Page 125, lines 18 and 19, strike *"148.231, Subdivision 3, 148.281, Subdivision 2;"*

Page 125, line 20, after "148.55;" insert *"148.58;"*

Page 125, line 23, after "153.10;" insert *"153.11; 154.065, Subdivision 6;"*

Page 125, line 27, after "3;" insert *"148.231, Subdivision 3; 148.-261, Subdivision 2;"*

Page 125, line 28, before "326.11," insert "326.10, *Subdivision 4*;"

Page 125, line 28, after "4;" insert "326.242, *Subdivision 8*; 326.-334, *Subdivision 3*;"

Page 125, line 31, after ".]" insert "*Section 5, Subdivisions 1 and 2, of this act shall be effective July 1, 1977. The remainder of*"

Page 125, lines 16 to 30, underline the new language

Page 125, line 32, strike "*in statute or rule*"

Page 126, line 1, after "*fees*" insert "*, license renewal*"

Page 126, line 2, strike "*are*" and insert "*were enforced or promulgated pursuant to sections of Minnesota Statutes which are amended or*"

Page 126, line 6, after "*effect*" insert "*, to the extent not inconsistent with this act,*"

Page 126, line 8, after the period insert "*Notwithstanding the preceding sections, a licensing board may continue to use until July 1, 1977, procedures for the review and investigation of complaints and the holding of disciplinary hearings which were in effect on June 30, 1976, to the extent the procedures are consistent with chapter 15. A certificate or registration granted to a person by a licensing board shall remain in force until its scheduled expiration unless revoked or suspended. After the expiration the person, if he qualifies, shall be issued a license pursuant to this act.*"

Renumber the sections in sequence

Strike the title and insert:

"A bill for an act relating to licensed occupations; establishing a policy for the regulation of occupations; transferring responsibility for the provision of staffing and administrative services; clarifying reporting responsibilities; prescribing a procedure for complaint review; granting licensing boards additional powers relating to injunctive relief, subpoenas, continuing education, and other matters; prescribing duties of the board of health relating to human services occupations, creating advisory councils; merging the licensed practical nursing board into the board of nursing; making miscellaneous changes in practice acts for various licensed occupations; adopting the standard terms "licensure" and "license" for occupational licensing boards; transferring employees and moneys; appropriating money; amending Minnesota Statutes 1974, Sections 125.04; 125.05; 125.06; 125.08; 125.09, Subdivision 1; 125.12, Subdivision 1; 125.13, Subdivision 1; 125.17, Subdivision 1; 125.182, Subdivisions 2 and 3; 125.183, by adding a subdivision; 125.184, as amended; 125.185, as amended; 125.187; 144.955; 144.959; 147.021, Subdivision 1; 147.06; 147.13; 147.18; 147.23; 148.05; 148.06, Subdivision 1; 148.07, as amended; 148.10; 148.211, Subdivision 2; 148.241, Subdivision 1; 148.291, Subdivision 3; 148.32; 148.57; 148.59; 148.90, as amended; 148.91, Subdivisions 1 and 3; 148.97, Subdivision 6; 148.98; 150A.04, Subdivision 5; 150A.06, Subdivision 1; 150A.08, Subdivision 4; 150A.09, Subdivisions 1 and 3; 151.06, Sub-

division 4; 151.10; 151.101; 151.11; 151.12; 151.13; 151.14; 151.19; 151.25; 151.27; 151.37, Subdivisions 5 and 6; 151.40; 153.07; 153.08; 153.09; 154.04; 155.02, Subdivision 7a; 155.03, Subdivision 2; 155.06, Subdivision 3; 155.09, Subdivisions 1, 4 and 5; 155.11, Subdivision 2; 155.14; 155.15; 155.16; 155.18, Subdivision 1; 155.19; 155.20, Subdivision 2; 156.01, Subdivision 5; 156.02, Subdivision 2; 156.03; 156.07; 156.072, Subdivisions 2 and 3; 156.081, Subdivision 1; 156.14; 214.01, Subdivision 1; 214.06; 270.47; 270.50; 270.51; 326.08, Subdivision 1; 326.11, Subdivision 6; 326.15; 326.19; 326.20; 326.21; 326.22, as amended; 326.23; 326.241, as amended; 326.242, Subdivisions 8 and 9; 326.33, Subdivisions 2 and 3; 326.331; 326.332, Subdivision 1; 326.333; 326.334, Subdivision 1; 326.54; 326.543; 326.544; 326.545; 326.546; 341.05, as amended; 341.06; 341.07; 341.08; 341.12; 341.13; 341.15; 386.61, Subdivision 2; 386.63, Subdivisions 2 and 3; 386.64; 386.65, Subdivision 1; 386.67; 386.69; 386.72; 386.73; Chapter 214, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 125.03, Subdivision 1; 125.11; 125.183, Subdivision 3; 144.952, by adding a subdivision; 147.01; 147.02, Subdivision 1; 147.05; 148.03; 148.181; 148.191; 148.211, Subdivision 1; 148.261, Subdivision 1; 148.29, Subdivision 2; 148.291, Subdivision 1; 148.299; 148.52; 148.54; 148.60; 148.67; 148.95; 150A.02, Subdivision 1; 150A.03, Subdivision 2; 151.03; 151.06, Subdivision 1; 151.07; 153.02; 153.03; 153.04; 153.13; 153.15; 154.22; 154.23; 155.05; 155.06, Subdivision 1; 155.08; 156.01, Subdivision 1; 214.01, Subdivision 2; 214.04; 214.07; 214.09, Subdivision 3; 270.41; 270.42; 270.48; 326.03, Subdivision 1; 326.04; 326.05; 326.06; 326.08, Subdivision 2; 326.09; 326.10; 326.11, Subdivisions 1 and 5; 326.12; 326.13; 326.14; 326.17; 326.18; 326.33, Subdivision 1; 326.541; 326.542; 341.01; 341.04; 341.10; 341.11; 386.62; 386.63, Subdivision 1; 386.66; 386.68; 386.70, Subdivision 1; 386.71; repealing Minnesota Statutes 1974, Sections 125.09, Subdivisions 2 and 3; 144.956; 144.958; 144.96; 144.965; 145.861; 145.862; 145.863; 145.864; 148.06, Subdivision 2; 148.08, Subdivision 1; 148.291, Subdivision 2; 148.55; 148.58; 148.94; 148.97, Subdivision 2; 148.99, Subdivision 1; 150A.04, Subdivisions 1, 2, 3 and 4; 150A.07; 150A.08, Subdivision 2; 150A.09, Subdivision 2; 151.09; 153.10; 153.11; 154.065, Subdivision 6; 156.01, Subdivision 4; 326.08, Subdivision 3; 326.11, Subdivision 3; 326.16; 386.63, Subdivision 6; 386.65, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 145.865, Subdivision 2; 145.866; 148.211, Subdivision 3; 148.231, Subdivision 3; 148.261, Subdivision 2; 148.291, Subdivision 4; 148.297, Subdivision 2; 148.55; 326.10, Subdivision 4; 326.11, Subdivisions 2 and 4; 326.242, Subdivision 8; 326.334, Subdivision 3; 386.695; 386.696; and 386.70, Subdivisions 3, 4, 5 and 6."

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1349, 1918 and 1926 for proper reference, recommends the above House Files be re-referred to their respective Committees as follows:

H. F. No. 1918 to the Committee on Governmental Operations.

H. F. No. 1926 to the Committee on Health, Welfare and Corrections.

H. F. No. 1349 to the Committee on Taxes and Tax Laws.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

### SECOND READING OF SENATE BILLS

S. F. Nos. 2379, 2053, 1788, 2343, 2226, 1979, 1987, 1986, 1814, 1802, 1944, 1872, 1844, 1964, 1297, 1998, 1792, 1793, 2167, 2327, 2373, 1576, 2365, 1867, 2195, 2381, 2469, 2330, 2100, 2291, 2174, 2328, 1780, 2370, 2210, 1615, 1456, 1675, 2387, 1935, 664, 1991, 2339, 2121, 2334, 2436, 2382, 2435, 2423, 2485, 2509, 2510, 2363, 855, 2486, 1800, 2263, 2322, 1886, 1999 and 1906 were read the second time.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 1932 and 771 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Josefson moved that S. F. No. 1784 and the committee report and minority report thereon be taken from the table. The motion prevailed.

Mr. Jensen moved that the minority report be adopted.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 27 and nays 38, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Hansen, Baldy	Larson	Sillers
Ashbach	Brown	Hanson, R.	Olson, H. D.	Stassen
Bang	Chmielewski	Jensen	Olson, J. L.	Ueland
Berg	Dunn	Josefson	Patton	
Bernhagen	Fitzsimons	Kirchner	Pillsbury	
Blatz	Frederick	Knutson	Renneke	

Those who voted in the negative were:

Arnold	Hansen, Mel	Lewis	Olson, A. G.	Spear
Borden	Hughes	McCutcheon	O'Neill	Stokowski
Chenoweth	Humphrey	Milton	Perpich, A. J.	Stumpf
Coleman	Keefe, J.	Moe	Perpich, G.	Tennessee
Conzemius	Keefe, S.	Nelson	Purfeerst	Wegener
Davies	Kleinbaum	North	Schaaf	Willet
Doty	Kowalczyk	Ogdahl	Schmitz	
Gearty	Laufenburger	Olhoft	Solon	

The motion did not prevail.

Mr. Coleman moved that the committee report on S. F. No. 1784 be adopted. The motion prevailed. Report adopted.

Mr. Moe moved that S. F. No. 2264 be withdrawn from the Committee on Natural Resources and Agriculture and re-referred to the Committee on Labor and Commerce. The motion prevailed.

Mr. Moe moved that S. F. No. 2188 be withdrawn from the Committee on Natural Resources and Agriculture and re-referred to the Committee on Health, Welfare and Corrections. The motion prevailed.

Mr. Chenoweth moved that H. F. No. 1530 be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1530, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. Tennessen moved that the name of Mrs. Brataas be added as co-author to S. F. No. 2506. The motion prevailed.

Mr. Tennessen moved that S. F. No. 2380 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Finance. The motion prevailed.

Mr. Moe moved that the name of Mr. O'Neill be added as co-author to S. F. No. 2325. The motion prevailed.

Mr. Moe moved that the name of Mr. Dunn be added as co-author to S. F. No. 2436. The motion prevailed.

Mr. Renneke moved that his name be stricken as co-author to S. F. No. 1308. The motion prevailed.

Mr. Olson, H. D. moved that S. F. No. 1308 and the Conference Committee Report thereon be laid on the table and the Conference Committee Report be printed in the Journal. The motion prevailed.

#### **CONFERENCE COMMITTEE REPORT ON S. F. NO. 1308**

A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public use; requiring a substantial beneficial public use to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; appropriating money; amending Minnesota Statutes 1974, Sections 97.481; 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42.

Subdivision 1; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections.

March 8, 1976

The Honorable Alec G. Olson  
President of the Senate

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1308 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. 1308 be amended as follows:

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 97.481, is amended to read:

97.481 [ACQUISITION OF WILDLIFE LANDS.] The commissioner of natural resources is hereby authorized and empowered to acquire, in the name of the state, by gift, lease, purchase and transfer of state lands, any such wildlife lands, such as marsh or wetlands, and the margins thereof, including ponds, small lakes and stream bottom lands, which he finds desirable to acquire in the interests of water conservation relating to wildlife development programs, and, he may also acquire for this purpose from any state agency, itself included, lands now in state ownership or tax-forfeited which are suitable for wildlife purposes, and when such lands are so acquired, he is authorized to develop the same in the interest of wildlife, recreational or public hunting areas as he shall deem desirable. *In the determination of which lands will be acquired as wildlife lands, the commissioner shall assign highest priority to parcels containing type 3 or 4 wetlands, as defined in U.S. Fish and Wildlife Service Circular No. 39 (1971 edition), which were previously determined to be public waters.* No such lands shall be acquired until first approved for such purchase, or lease, by a majority of the members of the board of county commissioners in the counties where the land to be purchased, or leased, is located. In the counties in which a soil and water conservation district is organized the supervisors will act as counsellors to the board of county commissioners regarding the best utilization and capability of the land proposed for purchase, including the questions of drainage and flood control. The commissioner in the purchase of such wetlands must recognize that when a majority of land owners, or owners of a majority of the land in the watershed, petition for a drainage outlet, that the state should not interfere, or unnecessarily delay such drainage proceedings when such proceedings are conducted according to the Minnesota Drainage Code. In no case should state lands, so purchased, or leased, be used to produce crops ~~which are in a surplus~~

as defined by the federal government unless such crops are needed to sustain wildlife. No lands described herein shall be acquired unless there is acquired simultaneously therewith a right-of-way or easement from said lands to a public road so as to make entry upon said lands available to the public. The commissioner may designate lands or interests in lands acquired pursuant to this section as wildlife management areas for the purposes of the outdoor recreation system.

Sec. 2. Minnesota Statutes 1974, Section 105.37, Subdivision 6, is amended to read:

Subd. 6. "Beneficial public purpose", in relation to waters of the state, includes but is not limited to any or all of the following purposes:

(a) Water supply for municipal, industrial, or agricultural ; ~~or other~~ purposes ;

(b) Recharge of underground water strata;

(c) Retention of water to prevent or reduce downstream flooding, thereby minimizing erosion and resultant property damage;

(d) Entrapment and retention of nutrients and other materials which impair the quality of natural resources ;

(e) Recreational activities such as swimming, boating, fishing, and hunting ;

(f) Public navigation other than for recreational purposes ;

(g) Wildlife habitat ~~such as fish spawning and rearing areas, waterfowl nesting and feeding areas, and areas for the spawning, rearing, feeding, and protection nesting of other wildlife ; or~~

(h) Areas designated as scientific and natural areas pursuant to section 84.033.

Sec. 3. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 9. "Waterbasin" means an enclosed natural depression with definable banks capable of containing water which may be partly filled with waters of the state and which is discernible on aerial photographs.*

Sec. 4. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 10. "Natural watercourse" means any natural channel which has definable beds and banks capable of conducting confined runoff from adjacent lands.*

Sec. 5. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 11. "Altered natural watercourse" means a former natural watercourse which has been affected by man made changes in straightening, deepening, narrowing, or widening of the original channel.*

Sec. 6. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 12. "Artificial watercourse" means a watercourse which has been artificially constructed by man where there was no previous natural watercourse.*

Sec. 7. Minnesota Statutes 1974, Section 105.38, is amended to read:

**105.38 [DECLARATION OF POLICY.]** In order to conserve and utilize the water resources of the state in the best interests of the people of the state, and for the purpose of promoting the public health, safety and welfare, it is hereby declared to be the policy of the state:

(1) Subject to existing rights all waters of the state which serve a *material* beneficial public purpose are public waters subject to the control of the state. *In the determination of whether a beneficial public purpose exists, specific evidence of the present or future beneficial public purpose shall be evaluated in accordance with section 105.37, subdivision 6, and with reference to the existing land use of the area, the soil types surrounding and underlying the water, the ownership of the land surrounding the water, the relative agricultural and wildlife productivity of the area, and relevant provisions of a county or municipal shorelands ordinance enacted pursuant to section 105.485.* The public character of water shall not be determined exclusively by the proprietorship of the underlying, overlying, or surrounding land or on whether it is a body or stream of water which was navigable in fact or susceptible of being used as a highway for commerce at the time this state was admitted to the union. This section is not intended to affect determination of the ownership of the beds of lakes or streams.

(2) The state, to the extent provided by law from time to time, shall control the appropriation and use of surface and underground waters of the state.

(3) The state shall control and supervise, so far as practicable, any activity which changes or which will change the course, current, or cross-section of public waters, including but not limited to the construction, reconstruction, repair, removal, abandonment, the making of any other change, or the transfer of ownership of dams, reservoirs, control structures, and waterway obstructions in any of the public waters of the state.

Sec. 8. Minnesota Statutes 1974, Chapter 105, is amended by adding a section to read:

**[105.391] [PUBLIC WATERS INVENTORY AND CLASSIFICATION.]** *Subdivision 1. On the basis of all information available to him, the commissioner shall inventory the waterbasins of each county and make a preliminary designation as to which constitute public waters. The commissioner shall send his preliminary designation for each county to the county board of that county for its review and comment.*

*Subd. 2. Within 90 days after a county board has received the commissioner's preliminary designation, it shall notify the commissioner of any disagreement with his designation. The commissioner may extend the time within which a county may notify him of a disagreement.*

*Subd. 3. If there is no disagreement between the commissioner and a county concerning the preliminary designation of waterbasins in that county, the commissioner by rule shall designate as public waters those waterbasins listed in the preliminary designation. In the same rule making proceeding the commissioner may also designate as public waters any watercourses which have been determined to be public and classified as to the level of regulation in accordance with the procedures of the commissioner's interim rules. The designation of watercourses as public waters pursuant to this subdivision shall remain in effect until changed by rule of the commissioner following the inventory, designation, and classification of watercourses prescribed by this section. A hearing on proper designation of waterbasins or watercourses shall be held in the county in which the waters to be designated are located. Except as provided below, no waterbasin designated public water may be drained, and no permit authorizing drainage of a waterbasin containing public water may be issued, unless the public water being drained is replaced by a waterbasin which will have equal or greater public value. However, after a state water bank program has been established, a waterbasin designated public water which is eligible for inclusion in that program may be drained without a permit and without replacement of a waterbasin of equal or greater public value if the commissioner does not elect, within 60 days of the receipt of an application for a permit to drain the waterbasin, to either (1) place the waterbasin in the state waterbank program, or (2) acquire it pursuant to section 97.481, or (3) indemnify the landowner through any other appropriate means, including but not limited to conservation restrictions, easements, leases, or any applicable federal program. If the applicant is not offered his choice of any one of all of the above alternatives, he is entitled to drain the waters involved.*

*Subd. 4. If there is a disagreement between the commissioner and a county concerning the preliminary designation of a waterbasin as public waters in that county, the commissioner shall attempt to resolve the disagreement with the county within 60 days after receiving notice of disagreement from the county. During the 60 day period the commissioner may proceed, in the manner provided by subdivision 3, to make a final designation for those waterbasins which are not the subject of disagreement between the commissioner and the county.*

*Subd. 5. If after 60 days from the date of receiving notice of disagreement by a county, there remain matters upon which the commissioner and the county disagree, the commissioner shall order a public hearing to be held in the county and conducted pursuant to chapter 15. A hearings unit composed of two persons appointed by the commissioner, one person appointed by the affected county board and one person appointed by the area soil and water conservation district shall select a fifth member within 45 days of the public hearing order. If the fifth member of the hearings unit can-*

not be agreed upon by the four appointees within the 45 day period, then the state soil and water conservation board shall select such member within 30 days. In the event there is a watershed district whose boundaries include the waters involved, the district shall provide the hearings unit with its recommendations. Upon completion of the hearing and review of the hearing examiner's report, the hearings unit shall issue its findings of fact, conclusions and an order, which shall be considered the decision of an agency in a contested case for purposes of judicial review pursuant to section 15.0425. Upon receipt of the order of the hearings unit and after the appeal period has expired, or upon receipt of the final order of the court in the case of an appeal, the commissioner shall promulgate by rule a list of the waterbasins and watercourses determined to be public waters by the hearings unit, provided that unless any aggrieved party other than the commissioner or the affected county board seeks judicial review of the order of the hearings unit, pursuant to chapter 15, both the commissioner and the affected county board shall be bound by the order of the hearings unit and shall not be entitled to seek judicial review. A person who did not intervene pursuant to section 116B.09 in the initial action for judicial review of the order of the hearings unit shall not be entitled to maintain a subsequent civil action pursuant to section 116B.03. In the event the county appeals an order of the hearings unit, the commissioner shall be obligated to pay 50 percent of the appeal costs and disbursements of the county. In the event the commissioner appeals an order of the hearings unit, the commissioner shall be obligated to pay the costs and disbursements incurred by the county in defense of the appeal.

Subd. 6. From money appropriated to him for the following purposes, the commissioner shall grant aid to counties to facilitate an inventory of all watercourses for the purpose of designating which watercourses in the county are public waters and for the purpose of recommending a management classification for each watercourse. The commissioner shall consider the size of a county and the number of watercourses within the county when making a grant. Within a reasonable time following the grant of aid for a watercourse inventory, as specified by the commissioner, the county shall report to the commissioner on its watercourse inventory, its recommendations as to which watercourses in the county should be designated public waters, and its recommended management classifications. Within 90 days after receiving a county's report, the commissioner shall notify the county of any disagreement with the county's report. If there is no disagreement concerning a particular watercourse the commissioner shall by rule designate that watercourse public waters and shall specify its proper management classification. The commissioner shall attempt to resolve any disagreement between the commissioner and a county within 60 days after notifying the county of his disagreement. During the 60 day period the commissioner may proceed, in the manner provided by subdivision 3, to make a final designation for watercourses which are not the subject of disagreement between the commissioner and the county. If, after 60 days from the date the county receives notice of the commissioner's disagreement, there remain matters upon which the commissioner and a county disagree, the commissioner, in accordance with subdivision 5, shall present the disagreement to a

hearings unit as stipulated therein who shall conduct a public hearing which upon completion shall further comply with the provisions of subdivision 5 relating to judicial review, final order and appeal costs.

*Subd. 7. Waters of this state are public waters for the purposes of this section if they have been determined to be public waters or navigable waters by the district court or, if appealed, by the supreme court of this state or by the United States supreme court.*

*Subd. 8. Notwithstanding any other law to the contrary the procedures, rules and guidelines set forth in the order of the commissioner of natural resources dated March 4, 1976, and filed with the secretary of state by March 4, 1976, and given a document number by the secretary of state, shall be valid and enforceable emergency rules of the commissioner of natural resources for the purposes of Minnesota Statutes, Sections 15.0411 to 15.0422, with respect to public waters during the period between the effective date of this act and their designation as public waters pursuant to this section, without further act or deed of the commissioner.*

**Sec. 9. Minnesota Statutes 1974, Chapter 105, is amended by adding a section to read:**

**[105.392] [WATER BANK PROGRAM.] Subdivision 1. The legislature finds that it is in the public interest to preserve the wetlands of the state and thereby to conserve surface waters, to preserve wildlife habitat, to reduce runoff, to provide for flood-water retention, to reduce stream sedimentation, to contribute to improved subsurface moisture, to enhance the natural beauty of the landscape, and to promote comprehensive and total water management planning. Therefore, the commissioner of natural resources is authorized to promulgate rules, which shall include the procedures and payment rates designed to effectuate the terms of this section. This program is intended to supplement and complement the federal water bank program and the payment rates established shall be at least equal to the federal rates existing at the time any agreements are entered into.**

*Subd. 2. The commissioner shall have authority to enter into agreements with landowners for the conservation of wetlands. These agreements shall be entered into for a period of ten years, with provision for renewal for additional ten year periods. The commissioner may re-examine the payment rates at the beginning of any ten year renewal period in the light of the then current land and crop values and make needed adjustments in rates for any renewal period.*

*Wetlands eligible for inclusion in the waterbank program shall have all the following characteristics as determined by the commissioner: (a) types 3 or 4, as defined in U. S. Fish and Wildlife Service Circular No. 39 (1971 edition); (b) less than 50 acres in area; (c) declared public waters because of its beneficial public value as wildlife habitat; (d) its drainage is lawful, feasible, and practical; and (e) its drainage would provide high quality cropland and that is the projected land use.*

*Subd. 3. In the agreement between the commissioner and an owner, the owner shall agree:*

*(1) to place in the program for the period of the agreement eligible wetland areas he designates, which areas may include wetlands covered by a federal or state government easement which permits agricultural use, together with such adjacent areas as determined desirable by the commissioner;*

*(2) not to drain, burn, fill, or otherwise destroy the wetland character of such areas, nor to use such areas for agricultural purposes, as determined by the commissioner;*

*(3) to effectuate the wetland conservation and development plan for his land in accordance with the terms of the agreement, unless any requirement thereof is waived or modified by the commissioner;*

*(4) to forfeit all rights to further payments or grants under the agreement and to refund to the state all payments or grants received thereunder upon his violation of the agreement at any stage during the time he has control of the land subject to the agreement if the commissioner determines that such violation is of such a nature as to warrant termination of the agreement, or to make refunds or accept such payment adjustments as the commissioner may deem appropriate if he determines that the violation by the owner does not warrant termination of the agreement;*

*(5) upon transfer of his right and interest in the lands subject to the agreement during the agreement period, to forfeit all rights to further payments or grants under the agreement and refund to the state all payments or grants received thereunder during the year of the transfer unless the transferee of any such land agrees with the commissioner to assume all obligations of the agreement;*

*(6) not to adopt any practice specified by the commissioner in the agreement as a practice which would tend to defeat the purposes of the agreement; and*

*(7) to additional provisions which the commissioner determines are desirable and includes in the agreement to effectuate the purposes of the program or to facilitate its administration.*

*Subd. 4. In return for the agreement of the owner, the commissioner shall (1) make an annual payment to the owner for the period of the agreement at the rate as the commissioner determines to be fair and reasonable in consideration of the obligations undertaken by the owner; and (2) provide advice on conservation and development practices on the wetlands and adjacent areas for the purposes of this section as the commissioner determines to be appropriate. In making his determination, the commissioner shall consider, among other things, the rate of compensation necessary to encourage owners of wetlands to participate in the water bank program.*

*Subd. 5. Any agreement may be renewed or extended at the end of the agreement period for an additional period of ten years by mutual agreement of the commissioner and the owner, subject to*

*any rate redetermination by the commissioner. If during the agreement period the owner sells or otherwise divests himself of the ownership or right of occupancy of the land, the new owner may continue such agreement under the same terms or conditions, or enter into a new agreement in accordance with the provisions of this section, including the provisions for renewal and adjustment of payment rates, or he may choose not to participate in the program, except any water declared public waters shall not be drained.*

*Subd. 6. The commissioner may terminate any agreement by mutual agreement with the owner if the commissioner determines that the termination would be in the public interest, and may agree to any modification of agreements he may determine to be desirable to carry out the purposes of the program or facilitate its administration.*

Sec. 10. Minnesota Statutes 1974, Section 105.42, Subdivision 1a, is amended to read:

Subd. 1a. The commissioner shall recommend by January 15, 1975, to the legislature a comprehensive law containing standards and criteria governing the issuance and denial of permits under this section. These standards and criteria shall relate to the diversion of water from other uses and changes in the level of public waters to insure that projects will be completed and maintained in a satisfactory manner. *The commissioner may by rule identify classes of activities in waterbasins and classes of watercourses on which the commissioner may delegate permit authority to the appropriate county or city under such guidelines as the commissioner may provide based on agreement with the involved county or city and in compliance with the requirements of section 105.45.* After November 15, 1975, a permit shall be granted under this section only when the project conforms to state, regional, and local water and related land resources management plans, and only when it will involve a minimum of encroachment, change, or damage to the environment, particularly the ecology of the waterway. In those instances where a major change in the resource is justified, permits shall include provisions to compensate for the detrimental aspects of the change.

In unincorporated areas and, after January 1, 1976, in incorporated areas, permits that will involve excavation in the beds of public waters shall be granted only where the area in which the excavation will take place is covered by a shoreland conservation ordinance approved by the commissioner and only where the work to be authorized is consistent with the shoreland conservation ordinance. Each permit that will involve excavation in the public waters shall include provisions governing the deposition of spoil materials.

No permit affecting flood waters shall be granted except where the area covered by the permit is governed by a flood plain management ordinance approved by the commissioner and the conduct authorized by the permit is consistent with the flood plain management ordinance, provided that the commissioner has determined that sufficient information is available for the adop-

tion of a flood plain ordinance. No permit involving the control of flood waters by structural means, such as dams, dikes, levees, and channel improvements, shall be granted until after the commissioner has given due consideration to all other flood damage reduction alternatives. In developing his policy with regard to placing emergency levees along the banks of public waters under flood emergency conditions, the commissioner shall consult and cooperate with the office of emergency services.

No permit that will involve a change in the level of public waters shall be granted unless the shoreland adjacent to the waters to be changed is governed by a shoreland conservation ordinance approved by the commissioner and the change in water level is consistent with that shoreland conservation ordinance. Standards and procedures for use in deciding the level of a particular lake must insure that the rights of all persons are protected when lake levels are changed and shall include provisions for providing technical advice to all persons involved, for establishing alternatives to assist local agencies in resolving water level conflicts, and mechanics necessary to provide for local resolution of water problems within the state guidelines.

Sec. 11. Minnesota Statutes 1974, Section 106.021, Subdivision 2, is amended to read:

Subd. 2. [DRAINAGE OF WATERBASINS AND WATERCOURSES.] No lake waterbasin shall be completely drained nor shall any activity regulated by section 105.42 be initiated in a natural watercourse be channelized except upon until the determination of the commissioner of natural resources of the state of Minnesota that such lake waterbasin or natural watercourse is not public waters of the state as defined by section 105.38 ; or pursuant to the permit of the commissioner as provided in subdivision 3 . If a waterbasin or watercourse is determined to be public waters, the permissible drainage activities shall be governed by section 8, subdivisions 3 and 6, of this act.

Sec. 12. Minnesota Statutes 1974, Section 106.021, Subdivision 6, is amended to read:

Subd. 6. [CRITERIA FOR PROPOSED DRAINAGE SYSTEMS.] Before January 1, 1975, the commissioner of natural resources shall promulgate, in the manner provided in chapter 15, a list of criteria that County boards or court courts must consider the following criteria when establishing and improving drainage systems . No criteria relating to drainage systems, whether promulgated pursuant to this subdivision or pursuant to Laws 1973, Chapter 315, shall be effective prior to July 1, 1975. The criteria shall relate to the social, economic, and environmental impact of the proposed drainage systems, and shall be limited to the following for which a preliminary order pursuant to section 106.101, has not been issued prior to the effective date of this act :

(a) An economic analysis of The private and public benefits and costs derived from the proposed project;

(b) *An analysis of The present and anticipated agricultural land acreage availability and use within the county project area ;*

(c) *An analysis of The flooding characteristics of project lands involved;*

(d) *An analysis of The alternative measures for the conservation, allocation, and development of the drainage waters;*

(e) *An analysis of The water quality effects as a result of the proposed project;*

(f) *An analysis of The fish and wildlife resources affected by the proposed project;*

(g) *An analysis of The shallow ground water availability, distribution, and use in the project area;*

(h) *An analysis of The overall environmental impact of all the criteria in items (a) to (g) ;*

(i) *The present and anticipated land use within the project area .*

Sec. 13. Minnesota Statutes 1974, Section 106.031, Subdivision 1, is amended to read:

106.031 [PETITION.] Subdivision 1. [FORM.] Before any public drainage system or other improvement authorized by sections 106.011 to 106.661 is established, a petition therefor shall be filed with the county auditor, if for a drainage system entirely within one county, or with the clerk of the district court pursuant to section 106.015, subdivision 1, if for a drainage system within two or more counties. Such petition shall be signed by not less than a majority of the resident owners of the land described in the petition or by the owners of at least 60 percent of the area of such land, exclusive of the holder of easements for electric or telephone transmission and distribution lines. The lands described in the petition shall be those over which the proposed ditch passes or upon which the improvement is located, and the petition shall set forth the description of such lands and shall set forth the necessity for the ditch or improvement, and that the same will be of public benefit and utility and will promote the public health, with the description of the starting point, the general course, and terminus or location of the same. The petition shall state that the petitioners will pay all costs and expenses which may be incurred in case the proceedings are dismissed or for any reason no contract for the construction thereof is let. Such petition may be signed by the authorized representative of any municipal corporation or by the commissioner of highways, or the authorized agent of any public institution or any corporation which may be affected by or assessed for the proposed construction; but in such case, the signature of such representatives, commissioner, agent, or corporation shall each count only as one signature on the petition. Each ditch proceeding shall be designated by number assigned by the auditor or clerk.

Sec. 14. Minnesota Statutes 1974, Section 106.081, Subdivision 1, is amended to read:

106.081 [PRELIMINARY SURVEY AND REPORT.] Subdivision 1. [SURVEY AND REPORT.] The engineer shall promptly proceed and examine all matters set forth in the petition and order and make such preliminary survey of the territory likely to be affected by the proposed improvement as will enable him to determine whether the same is necessary and feasible in compliance with reference to the requirements of section 106.021 , subdivision 6. *The engineer shall also examine and gather information concerning the factors stated in sections 105.37, subdivision 6, and 105.38, clause (1) for consideration in the determination of whether the proposed drainage system substantially affects any public water .* If some other plan than that described in the petition is found practical, the engineer shall so report, giving such detail and information as is necessary to inform the court or board on all matters pertaining to the feasibility of the proposed plan, either as outlined in the petition or according to a different plan recommended by the engineer. He shall show all changes, whether by extension, adding laterals, or otherwise, that may be necessary to make the plan of the proposed improvement practicable and feasible. If the construction of a ditch or drain is involved in the proposed improvement, the engineer shall examine and report the nature and capacity of the outlet and any necessary extension thereof.

Sec. 15. Minnesota Statutes 1974, Section 106.081, Subdivision 3, is amended to read:

Subd. 3. [INCLUSION IN PRELIMINARY REPORT.] If he finds the improvement petitioned for is feasible, and complies with the requirements of section 106.021, subdivision 6, he shall include in his report a preliminary plan of the proposed system showing thereon the proposed drain and laterals or other improvements, and the outlet thereof, together with the watershed of such drainage system and the lands and properties likely to be affected, including so far as known the names of the owners thereof. He shall show upon such plan the elevation of the outlet and the controlling elevations of the lands likely to be affected and also the probable size and character of the ditches and laterals necessary to make the plan practicable and feasible. All elevations so far as practical shall be referred to standard sea level datum. He shall show in his report the character of the outlet and the sufficiency thereof and also the probable cost of the drains and improvements shown on his plan, and all other information and data necessary to disclose the practicability, necessity and feasibility of the proposed improvement, including an analysis consideration of the project as required by section 106.021 , subdivision 6, and such other information as the board or court may order.

Sec. 16. Minnesota Statutes 1974, Section 106.081, Subdivision 4, is amended to read:

Subd. 4. [LIMITATION OF SURVEY.] The engineer shall confine his preliminary survey to the drainage area described in the petition, except to secure outlet, unless authorized by order of the board or court, with the consent of the bondsmen, at a hear-

ing after ten days notice by mail to the petitioners and bondsmen; and any investigation made by the engineer as to outlet, without such order, shall be confined to running the necessary levels to ascertain the distance necessary to secure the proper fall. The preliminary survey shall include ~~an~~ *analysis consideration* of the impact of the project as required by section 106.021, *subdivision 6*.

Sec. 17. Minnesota Statutes 1974, Section 106.091, Subdivision 1, is amended to read:

106.091 [FILING ENGINEER'S REPORT; COMMISSIONER'S REPORT.] Subdivision 1. [FILING.] Upon completion of his survey and report, the engineer shall file his report in duplicate with the auditor or clerk. The auditor or clerk shall transmit one copy thereof to the director of the division of waters, soils and minerals. If the ~~report be filed with the clerk~~ *proposed drainage system involves more than one county*, a duplicate thereof shall also be filed with the auditor of each county affected.

Sec. 18. Minnesota Statutes 1974, Section 106.091, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER'S REPORT.] The commissioner of natural resources shall make an advisory report to the board or court giving his opinion as to the sufficiency and adequacy of the engineer's report. The commissioner shall set forth in his report any matters pertaining to the project which should be further investigated and evaluated in accordance with ~~section sections~~ *sections 105.37, subdivision 6; 105.38, clause (1), and 106.021, subdivision 6*. If the commissioner determines that the report is not adequate and sufficient, he shall so report *the specific inadequacies or insufficiencies*. The commissioner's initial report shall be filed with the auditor or clerk on or before the date fixed for the preliminary hearing or at any continuance thereof. The commissioner may request additional time for review and evaluation of the engineer's report in cases where such additional time can be shown to be necessary for proper evaluation. However, no request for additional time for filing the commissioner's report may be made after five days from the date of notice by the auditor or clerk that a date is to be fixed for the preliminary hearing. No extension of time shall exceed two weeks from the date of the request.

Sec. 19. Minnesota Statutes 1974, Section 106.101, Subdivision 4, is amended to read:

Subd. 4. [DISMISSAL.] At said hearing or any adjournment thereof, if it shall appear that the proposed improvement is not feasible, or that the adverse environmental impact is greater than the public benefit or utility based upon the ~~requirements and~~ *criteria* required to be considered by section 106.021, *subdivision 6*, and no plan is reported by the engineer whereby it can be made feasible, and acceptable, or that it is not of public benefit or utility, or that the outlet is not adequate, the petition shall be dismissed.

Sec. 20. Minnesota Statutes 1974, Section 106.101, Subdivision 5, is amended to read:

Subd. 5. [FINDINGS AND ORDER.] If the board or court shall be satisfied that the proposed improvement as outlined in the petition or as modified and recommended by the engineer is feasible, that there is necessity therefor, that it will be of public benefit and promote the public health, based upon the ~~requirements~~ and criteria required to be considered by section 106.021, *subdivision 6*, and that the outlet is adequate, the board or court shall so find and by such order shall designate the changes that shall be made in the proposed improvement from that outlined in the petition including such changes as are necessary to minimize or ~~compensate for~~ *mitigate* adverse impact on the environment. These changes may be described in general terms and shall be sufficiently described by filing with the order a map outlining the proposed improvement thereon. Thereafter the petition shall be treated as modified accordingly. When the ditch shall outlet into an existing county or judicial ditch, the board or court may find that the outlet is adequate subject to confirmation and permission being obtained in accordance with section 106.531. In such case the board or court shall assign a number to the ditch and the board or court shall proceed to act in behalf of the ditch to obtain outlet rights in accordance with section 106.531.

Sec. 21. Minnesota Statutes 1974, Section 106.111, Subdivision 1, is amended to read:

106.111 [ORDER FOR DETAILED SURVEY.] Subdivision 1. Upon the filing of the *preliminary hearing* order as specified in section 106.101, subdivision 5, the board or court shall order the engineer or any other engineer, if a change of engineers be determined, to proceed to make a detailed survey and furnish all necessary plans and specifications for the proposed improvement and report the same to the board or court with all reasonable dispatch. All of the provisions of section 106.071 shall be applicable to the employment of the engineer.

Sec. 22. Minnesota Statutes 1974, Section 106.121, Subdivision 1, is amended to read:

106.121 [ENGINEER'S SURVEY.] Subdivision 1. [SURVEY AND EXAMINATION.] Upon the filing of the order *for detailed survey* named in section 106.111, the engineer shall proceed to survey the lines of the drainage improvement petitioned for and approved by order made upon preliminary hearing, and to survey and examine all lands and properties affected thereby.

Sec. 23. Minnesota Statutes 1974, Section 106.121, Subdivision 4, is amended to read:

Subd. 4. [DATA AND REPORT.] The engineer shall prepare and submit the following data and report:

(a) A complete map of the drainage system or improvement drawn to scale, showing thereon (1) the termini and course of each drain and whether open or tile, and the location of all other proposed im-

provements; (2) the location and situation of the outlet; (3) the watershed of the drainage system and the sub-watershed of main branches, if any, together with the location of existing highway bridges and culverts; (4) all lands and properties affected, together with the names of the owners thereof so far as known; (5) public streets, highways and railways affected; (6) the outlines of any lake basin, wetland and public body of water affected; (7) such other physical characteristics of the watershed as may appear necessary for the understanding thereof.

(b) A profile of all lines of ditch proposed showing graphically, the elevation of the ground and gradient at each 100-foot station, the station number at each section line and at each property line, whether open or tiled, the size of tile and the bottom width and side slope of open ditch sections, and such other information as may appear necessary for the understanding thereof.

(c) Plans for all private bridges and culverts proposed to be constructed by and as a part of the ditch system, together with plans for all other works and items of construction necessary for the completion of the drainage system or improvement. A list showing the required minimum hydraulic capacity of all bridges and culverts at all railway and highway open ditch crossings and at other prospective open ditch crossings where bridges and culverts are not specified to be constructed as a part of the ditch, together with plans and estimates of the cost of highway bridges and culverts required for the information of the viewers in determining benefits and damages.

(d) A tabular statement showing the number of cubic yards of *excavation and linear feet* tile on each tile line with the average depth thereof, and all bridges, culverts, works and other construction items required by the plans for the completion of the system, together with the estimated unit cost of each of said items and a summary of the total cost thereof. Such summary shall include an estimate of the cost of fully completing the system, including supervision and other costs thereof.

(e) The acreage which will be required and taken as right of way upon each government lot and 40-acre tract or fraction thereof under separate ownership required for right of way for any open ditch.

(f) Specifications for drain tile shall require that all drain tile used shall comply with the requirements of the American Society for Testing Materials standard specifications for drain tile, except where the depths to which the drains are to be laid or the conditions of the soil, in the opinion of the engineer, require tile of a special and higher quality.

(g) When more economical construction will result, the engineer may recommend that the work be divided into sections and let separately, and that open and tile work or tile and labor thereon be let separately, and the time and manner so far as practicable in which the whole work or any section thereof shall be done.

(h) Such other detail and information as shall appear requisite to fully inform the board or court of the practicability and necessity of the proposed improvements shall be made available including a

comprehensive examination of all ~~requirements~~ *the criteria* of section 106.021, *subdivision 6*, together with his recommendations thereon.

Sec. 24. Minnesota Statutes 1974, Section 106.131, is amended to read:

106.131 [COMMISSIONER'S FINAL ADVISORY REPORT.] Upon the filing of the engineer's report, a complete copy thereof shall be transmitted to the commissioner by the auditor or clerk.

The commissioner shall examine the same and within 30 days make his *advisory* report thereon to the board or court. If he finds the report incomplete and not in accordance with the provisions of this chapter, he shall so report *specifying the incomplete or nonconforming provisions of the engineer's report*. If he approves the same as being an acceptable plan for the drainage of the lands affected, he shall so state. If he does not approve the plan, he shall file his recommendations for changes deemed advisable ~~;~~ *or*. If in his opinion, the proposed system or improvement is not of public benefit or utility based upon the ~~requirements~~ *or criteria* required to be considered by section 106.021, *subdivision 6*, he shall ~~so~~ report *specifically what facts or evidence support his advisory opinion*. If a soil survey appears advisable, he shall so advise, and in such event the engineer shall make the soil survey and report thereon before the final hearing. The commissioner's report shall be directed to the board or court and shall be filed with the auditor or clerk.

No notice shall issue for the final hearing until the commissioner's report shall be filed.

Sec. 25. Minnesota Statutes 1974, Section 106.201, Subdivision 1, is amended to read:

106.201 [ORDER ESTABLISHING.] Subdivision 1. [DISMISSAL.] If it shall appear that the benefits are not more than the total cost, including damages awarded, or that the proposed system will not be of public benefit and utility, or ~~that the same is not practicable ; or that the system does not comply with requirements based upon the criteria~~ of section 106.021, *subdivision 6*, the board or court shall so find and the petition shall be dismissed.

Sec. 26. Minnesota Statutes 1974, Section 106.201, Subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT.] If the board or court shall find that the engineer's and viewers' reports have been made and all other proceedings in the matter had in accordance with law, that the estimated benefits are greater than the total estimated cost, including damages, that the damages and benefits have been duly determined, that the proposed drainage system will be of public utility and benefit, and will promote the public health, that the proposed system is practicable, and that such reports as made or amended are complete, just and correct, ~~and comply with requirements of section 106.021~~, then the board or court shall by order containing such findings, establish the drainage improvement as reported or amended, and adopt and confirm the viewers' report as made or amended.

**Sec. 27. [APPROPRIATION.]** *The sum of \$1,040,000 is appropriated from the general fund to the commissioner of natural resources for the purposes of this act. This appropriation shall be available immediately upon the effective date of this act and shall not cancel but shall be available until expended. Of this amount, \$240,000 is appropriated to carry out the purposes of section 8, \$200,000 is appropriated for the purposes of grants to counties pursuant to section 8, subdivision 6, and \$600,000 is appropriated for the water bank program pursuant to section 9. The unobligated balance of the \$750,000 appropriated by Laws 1975, Chapter 415, Section 1, Subdivision 7, is cancelled and reappropriated for the purposes of the waterbank program pursuant to section 9 of this act and for fee acquisition pursuant to section 97.481 of wetlands eligible for inclusion in the waterbank program as specified in section 9 of this act.*

**Sec. 28. [EFFECTIVE DATE.]** *This act is effective the day following its final enactment."*

Further, strike the title and insert:

"A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public purpose; requiring a material beneficial public purpose to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; establishing a state water bank program for public waters; appropriating money; amending Minnesota Statutes 1974, Sections 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1a; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 97.481."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Howard D. Olson, Roger D. Moe and Myrton O. Wegener.

House Conferees: (Signed) Glen A. Sherwood, Willis R. Eken, Rodney N. Searle, Henry J. Savelkoul and Walter R. Hanson.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Chenoweth moved that the name of Mr. Schaaf be added as co-author to S. F. No. 1729. The motion prevailed.

Remaining on the Order of Business of Motions and Resolu-

tions, Mr. Coleman moved to take up the Senate Calendar and the Calendar of Ordinary Matters. The motion prevailed.

### THIRD READING OF SENATE BILLS

S. F. No. 2108: A bill for an act relating to commerce; interest rates on money; exempting agricultural credit corporations from interest rate limitations; amending Minnesota Statutes 1974, Section 334.06.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Olhoft	Sillers
Arnold	Doty	Kirchner	Olson, A. G.	Solon
Ashbach	Dunn	Kleinbaum	Olson, H. D.	Spear
Bang	Fitzsimons	Knutson	Olson, J. L.	Stassen
Berg	Frederick	Kowalczyk	Patton	Stokowski
Bernhagen	Gearty	Laufenburger	Perpich, A. J.	Stumpf
Blatz	Hansen, Baldy	Lewis	Perpich, G.	Tennessee
Brataas	Hansen, Mel	McCutcheon	Pillsbury	Ueland
Brown	Hanson, R.	Milton	Purfeerst	Wegener
Chenoweth	Hughes	Moe	Renneke	Willet
Chmielewski	Humphrey	Nelson	Schaaf	
Coleman	Jensen	North	Schmitz	
Conzemius	Keefe, J.	Ogdahl	Schrom	

So the bill passed and its title was agreed to.

S. F. No. 354: A bill for an act relating to drivers' licenses; providing a new category of alcohol-related offenses; aggravated violations for driving after cancellation, suspension or revocation; providing a penalty; amending Minnesota Statutes 1974, Chapter 171, by adding a section.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 57 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Olhoft	Sillers
Arnold	Doty	Kirchner	Olson, A. G.	Solon
Ashbach	Dunn	Kleinbaum	Olson, H. D.	Spear
Bang	Fitzsimons	Kowalczyk	Olson, J. L.	Stassen
Berg	Frederick	Laufenburger	Patton	Stokowski
Bernhagen	Gearty	Lewis	Perpich, A. J.	Stumpf
Brataas	Hansen, Mel	McCutcheon	Perpich, G.	Tennessee
Brown	Hanson, R.	Milton	Pillsbury	Wegener
Chenoweth	Hughes	Moe	Purfeerst	Willet
Chmielewski	Humphrey	Nelson	Renneke	
Coleman	Jensen	North	Schaaf	
Conzemius	Keefe, J.	Ogdahl	Schmitz	

Those who voted in the negative were:

Blatz	Knutson	O'Neill	Schrom	Ueland
Hansen, Baldy				

So the bill passed and its title was agreed to.

S. F. No. 634: A bill for an act relating to corrections; sentencing and post conviction disposition of criminal offenders; transferring the powers and duties of the Minnesota corrections authority to the commissioner of corrections; abolishing the Minnesota corrections authority; providing for determinate sentencing; providing for a mutual agreement program; amending Minnesota Statutes 1974, Sections 152.15; 609.03; 609.10; 609.135, Subdivision 1; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.19; 609.195; 609.20; 609.205; 609.21; 609.215; 609.225; 609.235; 609.24; 609.245; 609.25, Subdivision 2; 609.255; 609.26; 609.27, Subdivision 2; 609.293, Subdivisions 2, 3 and 4; 609.31; 609.32; 609.355, Subdivision 2; 609.365; 609.375, Subdivision 2; 609.39; 609.395; 609.405, Subdivision 2; 609.42, Subdivision 1; 609.425; 609.445; 609.455; 609.465; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.52, Subdivision 3; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.56; 609.565; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.61; 609.615; 609.62, Subdivision 2; 609.625; 609.63; 609.635; 609.64; 609.645; 609.65; 609.67, Subdivision 2; 609.71; 609.713; 609.785; 609.82; 609.825, Subdivision 2; 609.83; Minnesota Statutes, 1975 Supplement, Sections 609.185; 609.342; 609.343; 609.344; 609.345; 609.52, Subdivision 2; 609.521; and 609.551, Subdivision 1; repealing Minnesota Statutes 1974, Sections 241.045, as amended; 242.24; 246.43; 609.11, as amended; 609.13, Subdivision 1; 609.155; and 609.16.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 54 and nays 11, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Keefe, J.	Ogdahl	Sillers
Arnold	Conzemius	Keefe, S.	Olhoft	Solon
Ashbach	Davies	Kirchner	Olson, A. G.	Spear
Bang	Doty	Kowalczyk	O'Neill	Stassen
Berg	Fitzsimons	Laufenburger	Perpich, A. J.	Stokowski
Bernhagen	Gearty	Lewis	Perpich, G.	Stumpf
Borden	Hansen, Mel	McCutcheon	Pillsbury	Tennessee
Brataas	Hanson, R.	Milton	Purfeerst	Ueland
Brown	Hughes	Moe	Schaaf	Wegener
Chenoweth	Humphrey	Nelson	Schmitz	Willet
Chmielewski	Josefson	North	Schrom	

Those who voted in the negative were:

Blatz	Hansen, Baldy	Kleinbaum	Olson, H. D.	Patton
Dunn	Jensen	Knutson	Olson, J. L.	Renneke
Frederick				

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 1099: A bill for an act relating to Hennepin county; hospital and medical care for poor persons funding; amending Laws 1963, Chapter 738, Section 3, Subdivision 3; repealing Laws 1963, Chapter 738, Section 7.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 36 and nays 25, as follows:

Those who voted in the affirmative were:

Arnold	Gearty	North	Purfeerst	Stumpf
Borden	Hansen, Mel	Ogdahl	Renneke	Tennessee
Brataas	Keefe, S.	Olhoff	Schaaf	Wegener
Chenoweth	Kleinbaum	Olson, A. G.	Schmitz	Willet
Coleman	Laufenburger	Olson, H. D.	Sillers	
Conzemius	McCutcheon	O'Neill	Solon	
Davies	Milton	Perpich, A. J.	Spear	
Doty	Moe	Perpich, G.	Stokowski	

Those who voted in the negative were:

Anderson	Brown	Hansen, Baldy	Kirchner	Olson, J. L.
Bang	Chmielewski	Hanson, R.	Knutson	Patton
Berg	Dunn	Humphrey	Kowalczyk	Pillsbury
Bernhagen	Fitzsimons	Josefson	Lewis	Schrom
Blatz	Frederick	Keefe, J.	Nelson	Ueland

So the bill passed and its title was agreed to.

### CALENDAR OF ORDINARY MATTERS

S. F. No. 2344: A bill for an act relating to motor vehicles; authorizing the issuance of temporary vehicle permits for certain specified purposes; amending Minnesota Statutes 1974, Sections 168.091, Subdivision 1; and 168.092, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Josefson	Nelson	Schmitz
Arnold	Davies	Keefe, J.	North	Schrom
Ashbach	Doty	Keefe, S.	Ogdahl	Sillers
Bang	Dunn	Kirchner	Olson, A. G.	Solon
Berg	Fitzsimons	Kleinbaum	Olson, H. D.	Spear
Bernhagen	Frederick	Knutson	Olson, J. L.	Stassen
Blatz	Gearty	Kowalczyk	O'Neill	Stokowski
Borden	Hansen, Baldy	Larson	Patton	Stumpf
Brataas	Hansen, Mel	Laufenburger	Perpich, A. J.	Tennessee
Brown	Hanson, R.	Lewis	Perpich, G.	Ueland
Chenoweth	Hughes	McCutcheon	Pillsbury	Wegener
Chmielewski	Humphrey	Milton	Purfeerst	Willet
Coleman	Jensen	Moe	Renneke	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate take up the General Orders Calendar. The motion prevailed.

#### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Jensen in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Jensen reported that the committee had considered the following:

S. F. Nos. 1570, 1858 and 1050 which the committee recommends to pass.

S. F. No. 1051, which the committee recommends to pass with the following amendment offered by Mr. Coleman:

Page 1, line 15, after "he" insert "is"

And then, on motion of Mr. Jensen, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

#### RECESS

Mr. Coleman moved that the Senate do now recess until 1:45 o'clock p.m. The motion prevailed.

The hour of 1:45 o'clock p.m. having arrived, the President called the Senate to order.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that S. F. No. 250 be taken from the table. The motion prevailed.

Mr. Coleman moved that a new Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate on S. F. No. 250 to act with a like Conference Committee to be appointed on the part of the House to replace the Conference Committee discharged pursuant to Joint Rule 23a. The motion prevailed.

Mr. Laufenburger moved that S. F. No. 499 be taken from the table. The motion prevailed.

Mr. Laufenburger moved that a new Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate on S. F. No. 499 to act with a like Conference Committee to be appointed on the part of the House to replace the Conference Committee discharged pursuant to Joint Rule 23a. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate take up the General Orders Calendar. The motion prevailed.

## GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Jensen in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Jensen reported that the committee had considered the following:

S. F. No. 2147 and H. F. No. 2244 which the committee recommends to pass.

S. F. No. 1956, which the committee recommends to pass with the following amendments offered by Messrs. Milton, Knutson and Doty:

Mr. Milton moved to amend S. F. No. 1956 as follows:

Page 5, line 32, after "under" insert "section 6;"

Page 6, line 6, after "section" insert "6; section"

Page 6, line 7, after "4" insert ", 5"

Page 6, line 7, after the first "and" strike "5" and insert "7"

Page 7, line 24, strike "6" and insert "5"

Page 8, line 16, strike "7" and insert "6"

Page 9, line 14, after "expenses" insert a comma

Page 9, line 17, after "412.222" insert a comma

Page 14, line 26, strike "inspected" and insert "reinspected"

Page 14, line 28, strike "inspection" and insert "reinspection"

Page 15, line 9, after "of" insert "receipt of"

Page 15, line 9, after the second "the" insert "notice of"

Page 16, line 12, strike "12" and insert "13"

Page 18, line 31, strike "their" and insert "its"

Page 18, line 31, strike "within a"

Page 18, line 32, strike "reasonable time after he receives it"

Page 26, line 29, strike "6" and insert "5"

Mr. Knutson moved to amend S. F. No. 1956 as follows:

Page 2, line 3, after "any" insert "public body, governmental agency,"

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 12, line 30, strike "To the extent feasible,"

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 13, line 18, after the period insert "No correction order or notice of non-compliance must be posted until any appeal, if one is requested by the facility pursuant to subdivision 8, has been completed. All correction orders and notices of non-compliance issued to a nursing home

*owned and operated by the state or by a political subdivision of the state shall be circulated and posted at the first public meeting of the governing body after the order or notice is issued."*

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 13, after line 3, insert:

*"Subd. 2a. To avoid any conflict of interest, nursing homes owned and operated by the state or by a political subdivision of the state shall be inspected by the advisory council created by section 17 of this act."*

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 25, line 25, after "the" insert "second"

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 33, after line 3, insert:

*"Subd. 4. Each rule promulgated by the board of health pursuant to sections 1 to 17 of this act shall contain a short statement of the anticipated costs and benefits to be derived from the provisions of the rule."*

Mr. Doty moved to amend S. F. No. 1956 as follows:

Page 11, line 23, after "[FACILITIES EXCLUDED.]" insert "Sub-division 1."

Page 11, after line 29, insert

*"Subd. 2. Sections 1 to 28 of this act shall not apply to a facility operated by a religious society or order solely to provide nursing care to twenty or fewer non-lay members of the order or society."*

S. F. No. 2252, which the committee recommends to pass with the following amendment offered by Mr. Chmielewski:

Amend the title as follows:

Page 1, line 6, strike "election" and insert "appointment"

S. F. No. 1821, which the committee recommends to pass with the following amendments offered by Messrs. Ashbach and McCutcheon:

Mr. Ashbach moved to amend S. F. No. 1821 as follows:

Page 2, line 5, strike "30" and insert "120"

Page 2, line 7, after "comparable to" insert "the position that was declassified, or if such a position is unavailable, to a position comparable to"

Page 2, lines 9 and 10, strike the commas

Page 2, line 14, strike "four" and insert "two"

Mr. McCutcheon moved to amend S. F. No. 1821 as follows:

Page 3, line 8, after "declassified" insert "during his incumbency and"

H. F. No. 109 which the committee reports progress, subject to the following motions:

Mr. Schaaf moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 1, Subdivision 7, line 2, after the comma insert "*or unless a deputy commissioner position has been authorized and approved pursuant to section 43.09, subdivision 2a, prior to the effective date of this act,*"

Section 35, line 15, reinsert the stricken "code" and strike "chapter"

Amend the title amendment as follows:

Line 4, strike "governor" and insert "appointing authority"

The motion prevailed. So the amendment was adopted.

Mr. Ashbach moved to amend the North amendment adopted by the Senate March 4, 1976, to the February 9, 1976 Governmental Operations Committee amendment to H. F. No. 109, as follows:

Section 8, Subdivision 2, line 8, after the period insert "*A re-organization order which transfers all or substantially all of the powers or duties or personnel of a department, the energy agency, the housing finance or the pollution control agency shall not be effective until ratified by statute.*"

Section 8, strike subdivision 3

Renumber the remaining subdivision

The motion prevailed. So the amendment was adopted.

Mr. Brown moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 1, after Subdivision 7, insert:

*"Subd. 8. [PRIVATE EMPLOYMENT.] No commissioner or deputy commissioner shall, within one year after leaving his position as commissioner or deputy commissioner, accept private employment in a matter in which he had substantial responsibility during his preceding two years as a state employee."*

The motion prevailed. So the amendment was adopted.

And then, on motion of Mr. Jensen, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 404, pursuant to the request of the House:

Messrs. Borden; Hansen, Baldy; and Bang.

H. F. No. 1751, pursuant to the request of the House:

Messrs. Bernhagen, Larson and Schrom.

H. F. No. 1530, pursuant to the request of the House:

Messrs. Chenoweth, Humphrey, Doty, Nelson and Keefe, J.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

#### RECESS

Mr. Coleman moved that the Senate do now recess until 6:45 o'clock p.m. The motion prevailed.

The hour of 6:45 o'clock p.m. having arrived, the President called the Senate to order.

Remaining on the Order of Business of Motions and Resolutions, Mr. Conzemius moved that the Senate revert to the Order of Business of Messages from the House and First Reading of House Bills. The motion prevailed.

#### MESSAGES FROM THE HOUSE

Mr. President :

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED, by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 53: A bill for an act relating to peace officer training courses; eligibility; amending Minnesota Statutes 1974, Section 626.851, Subdivision 2.

Senate File No. 53 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 11, 1976

Mr. Conzemius moved that S. F. No. 53 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1883, 2107, 2172, 1056, 1699, 2066, 1993 and 2239.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 10, 1976

Mr. President:

I have the honor to announce the passage by the House of the

following House Files, herewith transmitted: H. F. Nos. 1440, 2217, 2298, 2520, 2534, 930, 1143, 1471 and 2600.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 11, 1976

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1883: A bill for an act relating to telephone companies; requiring telephone companies engaged in certain operations to receive a permit from the public service commission; requiring the companies to notify the public service commission before terminating or suspending operation; providing for a hearing; permitting the public service commission to issue orders and rules.

Referred to the Committee on Labor and Commerce.

H. F. No. 2107: A bill for an act relating to public employees; providing for payment of attorney's fees necessary to obtain benefits for survivors of peace officers killed in line of duty; amending Minnesota Statutes 1974, Chapter 352E, by adding a section.

Referred to the Committee on Judiciary.

H. F. No. 2172: A bill for an act relating to municipalities within Dakota county; providing for financing of the Dakota County League of Municipalities; amending Laws 1967, Chapter 112, Section 1.

Referred to the Committee on Metropolitan and Urban Affairs.

H. F. No. 1056: A bill for an act relating to crimes; prohibiting occupying or entering buildings without a claim of right or the owner's consent except in the case of an emergency; amending Minnesota Statutes 1974, Section 609.605.

Referred to the Committee Judiciary.

H. F. No. 1699: A bill for an act relating to public utilities furnishing at retail electric service; providing that a customer may elect to purchase electric service from either electric utility providing him with service when he has buildings on land constituting his homestead located within more than one assigned service area; amending Minnesota Statutes 1974, Section 216B.40; and Chapter 216B, by adding a section.

Referred to the Committee on Labor and Commerce.

H. F. No. 2066: A bill for an act relating to the city of Minneapolis; authorizing a commercial and industrial lease and revenue bond guarantee program; providing for the issuance of limited general obligation bonds, and limited revenue bonds or obligations.

Referred to the Committee on Metropolitan and Urban Affairs.

H. F. No. 1993: A bill for an act relating to education; providing standards for the education of handicapped children; requiring a hearing and appeals process; limiting expenditures to meet federal requirements; amending Minnesota Statutes 1974, Section 120.17, Subdivisions 3 and 4, and by adding subdivisions; and Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1.

Referred to the Committee on Education.

H. F. No. 2239: A bill for an act relating to unemployment compensation; providing for the use of certain information in fraud investigations; amending Minnesota Statutes 1974, Section 268.12, Subdivision 12.

Referred to the Committee on Rules and Administration.

H. F. No. 1440: A bill for an act relating to private cemeteries; recovery of abandoned lots; amending Minnesota Statutes 1974, Chapter 307, by adding a section.

Referred to the Committee on Rules and Administration.

H. F. No. 2217: A bill for an act relating to veterinary medicine; proscribing certain practices by unlicensed persons; authorizing practice by students in certain circumstances; changing the licensing fee; setting licensing standards; defining terms; amending Minnesota Statutes 1974, Sections 156.001, by adding a subdivision; 156.02, Subdivisions 1 and 2; 156.03; 156.04; 156.07; 156.072, Subdivision 1, and by adding subdivisions; and 156.12.

Referred to the Committee on Rules and Administration.

H. F. No. 2298: A bill for an act relating to eminent domain; time of title and possession; providing that certain payments deposited with the court shall draw interest; amending Minnesota Statutes, 1975 Supplement, Section 117.042.

Referred to the Committee on Rules and Administration.

H. F. No. 2520: A bill for an act relating to education; requiring school districts to provide instructional materials for certain nonpublic school children.

Referred to the Committee on Rules and Administration.

H. F. No. 2534: A bill for an act relating to Chisago, Isanti, and Pine counties; providing retirement benefits for certain judges.

Referred to the Committee on Governmental Operations.

H. F. No. 930: A bill for an act relating to insurance; regulating the use of credit life and credit health and accident insurance; amending Minnesota Statutes 1974, Sections 62B.01; 62B.04, Subdivision 1; 62B.05; 62B.06, by adding subdivisions; 62B.07, Subdivision 2, and by adding a subdivision; 62B.08, Subdivision 2, and by adding subdivisions; 62B.11; and 61A.12, by adding subdivisions.

Referred to the Committee on Labor and Commerce.

H. F. No. 1143: A bill for an act relating to public health; providing that chiropractic colleges shall be entitled to receive cadavers for the purpose of anatomical study; amending Minnesota Statutes 1974, Sections 145.14 and 525.923.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1471: A bill for an act relating to public improvements; allowing certain fees to discharge cancelled special assessments.

Referred to the Committee on Local Government.

H. F. No. 2600: A bill for an act relating to highway traffic regulations; license requirements for operating motorcycles; requiring enrollment in two-wheeled vehicle safety course prior to issuance of instruction permit; amending Minnesota Statutes, 1975 Supplement, Section 169.974, Subdivision 2.

Referred to the Committee on Rules and Administration.

#### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

S. F. No. 250, pursuant to the request of the Senate:

Messrs. Coleman, Conzemius, Davies, Ashbach and Dunn.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Pillsbury moved that the names of Messrs. Perpich, A. J. and Borden be added as co-authors to S. F. No. 2136. The motion prevailed.

Mr. McCutcheon moved that the name of Mr. Kowalczyk be added as co-author to S. F. No. 2303. The motion prevailed.

Mr. Davies moved that the name of Mr. Hansen, Mel be added as co-author to S. F. No. 1932. The motion prevailed.

Mr. Keefe, S. moved that the name of Mr. Kirchner be added as co-author to S. F. No. 2377. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Conzemius moved that the Senate take up the General Orders Calendar. The motion prevailed.

#### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1776, 2037, 100, 1587, 1097, 612, 2251, 1927, 2232, 2056, 2078, 1932, 2152, 1957 and H. F. Nos. 1912 and 2216 which the committee recommends to pass.

S. F. No. 2262 which the committee recommends be re-referred to the Committee on Taxes and Tax Laws.

S. F. No. 1753, which the committee recommends to pass with the following amendment offered by Mr. Keefe, S.:

Page 2, line 23, strike "1978" and insert "1979"

H. F. No. 527, which the committee recommends to pass with the following amendment offered by Mr. Purfeerst:

Amend the amendment placed on H. F. No. 527 by the Committee on Governmental Operations, adopted by the Senate March 4, 1976, as follows:

Section 1, after the last sentence, insert:

*"Nothing in this section shall prohibit an employee of the state or a political subdivision from selling or having in his possession for sale public property if the sale or possession for sale is in the normal course of the employee's duties."*

H. F. No. 525 which the committee reports progress, subject to the following motions:

Mr. Stassen moved to amend H. F. No. 525, the unofficial engrossment, as follows:

Page 113, after line 18, insert a new section to read:

"Sec. 119, Minnesota Statutes, 1975 Supplement, Section 161.12, is amended to read:

161.12 [ADDITIONAL ROUTES ADDED TO TRUNK HIGHWAY SYSTEM.] To take advantage of federal aid made available by the United States to the state of Minnesota for highway purposes, the following trunk highway routes are added to the trunk highway system which routes form a part of the national system of interstate and defense highways and may be referred to as the interstate system:

Route No. 390. Beginning at a point on the boundary between the states of Minnesota and Iowa, southerly of Albert Lea; thence extending in a general northerly direction to a point on Route No. 111 in the city of St. Paul; and then beginning again at a point on Route No. 392 in through the city of St. Paul; thence extending in a general northeasterly direction to a point in Duluth on the boundary between the states of Minnesota and Wisconsin.

Route No. 391. Beginning at a point on the boundary between the states of Minnesota and South Dakota, westerly of Luverne; thence extending in a general easterly direction to a point on the

boundary between the states of Minnesota and Wisconsin, near La Crescent.

Route No. 392. Beginning at a point on the boundary between the states of Minnesota and North Dakota in or near Moorhead; thence extending in a general southeasterly direction through the city of Minneapolis; thence in a general easterly direction through the city of St. Paul to a point on the boundary between the states of Minnesota and Wisconsin in or near Lakeland.

Route No. 393. Beginning at a point on Route No. 392, easterly of the city of St. Paul; thence in a general southerly and westerly direction through the city of South St Paul; thence in a general westerly direction to a point in Eden Prairie Township, Hennepin County; thence in a general northerly direction to a point in the city of Maple Grove, Hennepin County; thence in a general easterly direction to a point on Route 390; thence in a general easterly, southeasterly and southerly direction to the point of beginning on Route No. 392, easterly of St. Paul.

Route No. 394. Beginning at a point on Route No. 390, southerly of the Minnesota River; thence extending in a general northerly and northeasterly direction through the city of Minneapolis; thence continuing in a northeasterly direction to a point on Route No. 390, near Forest Lake and there terminating.

Route No. 395. Beginning at a point on Route No. 390 at or near the intersection of Superior Street and Nineteenth Avenue West in the city of Duluth, thence extending in a northeasterly direction to a point on Route No. 103 at or near the intersection of Superior Street and Tenth Avenue East in the city of Duluth."

Renumber the remaining sections

Page 113, line 20, strike "and"

Page 113, line 21, strike the comma and insert "; and Minnesota Statutes, 1975 Supplement, Sections 161.117 and 161.123"

Amend the title as follows:

Page 1, after line 7, insert:

"amending a trunk highway route; removing restrictions on construction of certain trunk highways; removing certain routes from the trunk highway system;"

Page 1, line 29, after "2a;" insert "161.12;"

Page 1, line 35, strike "and"

Page 1, line 35, after "360.014" insert "; and Minnesota Statutes, 1975 Supplement, Sections 161.117 and 161.123"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 29 and nays 29, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Josefson	North	Renneke
Berg	Dunn	Kirchner	Ogdahl	Schrom
Bernhagen	Frederick	Knutson	Olson, J. L.	Sillers
Blatz	Hansen, Baldy	Kowalczyk	O'Neill	Stassen
Brataas	Hanson, R.	Larson	Patton	Ueland
Brown	Jensen	Nelson	Pillsbury	

Those who voted in the negative were:

Arnold	Doty	McCutcheon	Perpich, A. J.	Spear
Borden	Hughes	Milton	Perpich, G.	Stumpf
Chenoweth	Humphrey	Moe	Purfeerst	Tennessee
Coleman	Keefe, S.	Olhoft	Schaaf	Wegener
Conzemius	Kleinbaum	Olson, A. G.	Schmitz	Willet
Davies	Laufenburger	Olson, H. D.	Solon	

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

Mr. Ueland moved to amend H. F. No. 525, the unofficial engrossment, as follows:

Page 113, after line 18, insert the following:

*"Sec. 119. The commissioner of public safety is hereby authorized to retain, acquire, maintain and operate two fixed wing aircraft for the purposes of highway patrol officer pilots as required. The provisions of the fourth paragraph of Laws 1975, Chapter 204, Section 31, Subdivision 2, insofar as they refer to fixed wing aircraft are superseded by this act."*

Renumber the remaining sections

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 31 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Kleinbaum	Olson, J. L.	Stassen
Berg	Frederick	Knutson	O'Neill	Stokowski
Bernhagen	Hansen, Baldy	Kowalczyk	Patton	Ueland
Blatz	Hanson, R.	Larson	Pillsbury	
Brataas	Humphrey	Nelson	Renneke	
Brown	Josefson	Olhoft	Schrom	
Chmielewski	Kirchner	Olson, H. D.	Sillers	

Those who voted in the negative were:

Arnold	Doty	Moe	Schaaf	Wegener
Borden	Hughes	North	Schmitz	Willet
Chenoweth	Keefe, S.	Ogdahl	Solon	
Coleman	Laufenburger	Olson, A. G.	Spear	
Conzemius	McCutcheon	Perpich, G.	Stumpf	
Davies	Milton	Purfeerst	Tennessee	

The motion prevailed. So the amendment was adopted.

The question being taken on the committee recommendation to pass H. F. No. 525, as amended,

And the roll being called, there were yeas 27 and nays 29, as follows:

Those who voted in the affirmative were:

Ashbach	Conzemius	McCutcheon	Perpich, G.	Tennessee
Borden	Hughes	Milton	Pillsbury	Wegener
Brown	Humphrey	Moe	Purfeerst	Willet
Chenoweth	Keefe, S.	Ogdahl	Schaaf	
Chmielewski	Kleinbaum	Olson, A. G.	Schmitz	
Coleman	Laufenburger	Perpich, A. J.	Solon	

Those who voted in the negative were:

Arnold	Doty	Kirchner	Olhoft	Schrom
Berg	Dunn	Knutson	Olson, H. D.	Sillers
Bernhagen	Frederick	Kowalczyk	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Larson	O'Neill	Stassen
Brataas	Hanson, R.	Nelson	Patton	Stumpf
Davies	Josefson	North	Renneke	

The motion did not prevail. The committee then progressed H. F. No. 525, as amended.

H. F. No. 109, which the committee recommends to pass with the following amendments offered by Messrs. Ashbach, Conzemius and Arnold.

Mr. Ashbach moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 1, Subdivision 3, lines 2 to 3, strike *"other than the commissioner of personnel shall serve at the pleasure of"* and insert *"may be removed by"*

Section 1, Subdivision 3, line 4, after *"authority"* insert *"for cause after notice and hearing"*

Amend the title amendment as follows:

Lines 3 to 4 strike *"serve at the pleasure of the governor"* and insert *"be removable by the appointing authority for cause after notice and hearing"*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 39 and nays 16, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Kirchner	Olson, J. L.	Sillers
Ashbach	Doty	Knutson	O'Neill	Solon
Bernhagen	Dunn	Kowalczyk	Patton	Stassen
Blatz	Frederick	Larson	Perpich, A. J.	Stokowski
Brataas	Hansen, Baldy	McCutcheon	Pillsbury	Stumpf
Brown	Hanson, R.	Moe	Purfeerst	Tennessee
Coleman	Jensen	Nelson	Renneke	Ueland
Conzemius	Josefson	Olhoft	Schrom	

Those who voted in the negative were:

Borden	Humphrey	Milton	Olson, H. D.	Spear
Chenoweth	Keefe, S.	North	Schaaf	Wegener
Chmielewski	Kleinbaum	Olson, A. G.	Schmitz	Willet
Hughes				

The motion prevailed. So the amendment was adopted.

Mr. Conzemius moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 121.16, lines 6 to 7, strike "*with the approval of the governor*"

Section 121.16, line 15, after "*appoint*" insert "*with the approval of the board*"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 30 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Doty	Jensen	Nelson	Purfeerst
Bernhagen	Dunn	Kirchner	Olson, J. L.	Renneke
Blatz	Frederick	Knutson	O'Neill	Schrom
Brataas	Hansen, Baldy	Kowalczyk	Patton	Sillers
Brown	Hanson, R.	Larson	Perpich, A. J.	Stassen
Conzemius	Hughes	Moe	Pillsbury	Ueland

Those who voted in the negative were:

Arnold	Josefson	North	Schaaf	Stumpf
Chenoweth	Keefe, S.	Ogdahl	Schmitz	Tennessee
Chmielewski	Kleinbaum	Olhoff	Solon	Wegener
Davies	McCutcheon	Olson, A. G.	Spear	Willet
Humphrey	Milton	Olson, H. D.	Stokowski	

The motion prevailed. So the amendment was adopted.

Mr. Arnold moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

After section 27, insert a new section to read:

"Sec. 28. [351.025] [VACANCIES IN CERTAIN OFFICES APPOINTED BY THE GOVERNOR.] *When a vacancy occurs in the office of governor, the offices of all those persons appointed by the governor to serve for a term which shall coincide with the term of the governor shall also become vacant. The incumbent may continue to serve unless and until a successor is duly appointed and qualifies.*"

Re-number the remaining sections

The motion prevailed. So the amendment was adopted.

Mr. Milton moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 31, line 4, strike "board of"

Section 31, line 4, after "health" insert "*advisory council*"

Section 31, lines 10, 11 and 13, strike "board" and insert "*council*"

Section 144.031, subdivision 1, lines 2 to 3, strike "*administrative*"

Section 144.031, subdivision 1, line 6, strike "*board on health,*" and insert "*health advisory council*"

Section 144.031, subdivision 1, line 7, strike "*through the board of health,*"

Section 144.031, subdivision 2, lines 1 to 2, strike "*administrative*" and insert "*executive*"

Section 144.031, subdivision 2, line 3, after "*laws,*" insert "*promulgation and enforcement of*"

Section 144.031, subdivision 2, line 3, strike "*board*" and insert "*department*"

Section 144.031, subdivision 2, line 6, strike everything after "*rule*"

Section 144.031, subdivision 2, strike line 7 and insert "*The commissioner shall have all the powers and duties held by the board of health prior to the effective date of this section.*"

*Subd. 3. [ADVISORY COUNCIL.] There is created a health advisory council to advise the commissioner on matters relating to his powers and duties. The council shall be constituted as provided in section 144.01 except that advice and consent of the senate shall not be required. The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059."*

Section 144.04, lines 1 and 2, strike "*board*" and insert "*health advisory council*"

Section 37, line 6, after the period insert "*Notwithstanding the foregoing, the term of the commissioner of health shall expire on the day following the effective date of this act."*

Section 38, line 5, after the period insert "*The revisor shall eliminate the term "board of health" and shall substitute in statutes the term "health advisory council" or "council" as appropriate, except in respect to powers and duties of the board of health, in which case the terms "commissioner of health" or "commissioner" as appropriate shall be substituted."*

Amend the title as follows:

In the title amendment, line 5, after the semicolon insert "*transferring powers of the board of health to the commissioner of health; creating a health advisory council;*"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 26 and nays 27, as follows:

Those who voted in the affirmative were:

Arnold	Humphrey	North	Schrom	Wegener
Borden	Keefe, S.	Olson, A. G.	Solon	Willet
Chenoweth	Kirchner	Olson, H. D.	Spear	
Chmielewski	Kleinbaum	Perpich, A. J.	Stokowski	
Davies	Kowalczyk	Schaaf	Stumpf	
Hughes	Milton	Schmitz	Tennessen	

Those who voted in the negative were:

Ashbach	Conzemius	Josefson	Olson, J. L.	Sillers
Bernhagen	Doty	Larson	O'Neill	Stassen
Blatz	Dunn	Laufenburger	Patton	Ueland
Brataas	Frederick	Moe	Pillsbury	
Brown	Hansen, Baldy	Nelson	Purfeerst	
Coleman	Hanson, R.	Ogdahl	Renneke	

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

S. F. No. 175, which the committee recommends to pass with the following amendments offered by Messrs. Conzemius and Tennesen:

Mr. Conzemius moved to amend S. F. No. 175 as follows:

Page 5, after line 1, insert:

*"Sec. 6. [APPROPRIATIONS.] The sum of \$10,000 is appropriated from the general fund for the purposes of this act."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert "appropriating money;"

Mr. Tennesen moved to amend S. F. No. 175 as follows:

Page 3, line 8, strike "*compliance*" and insert "*enforcement*"

Page 4, line 30, strike "*wilfully*" and insert "*intentionally*"

Page 4, line 32, strike "*wilfully*" and insert "*intentionally*"

S. F. No. 2175, which the committee recommends to pass with the following amendment offered by Mr. Olson, A. G.:

Page 2, line 10, strike "*selected*" and insert "*a limited number of eligible agencies or*"

Page 2, line 11, after "*of*" insert "*in-home*"

Page 2, line 12, after the period insert "*The household or agency to provide the services shall be selected by the person who will receive the services.*"

Page 2, line 13, after "*to*" insert "*agencies or*"

Page 2, line 17, after "*to*" insert "*eligible agencies or*"

Page 2, line 27, after "*person*" insert "*or agency*"

Page 2, line 28, after "*person*" insert "*or agency*"

Page 2, line 28, after the second comma insert "*the person receiving the care,*"

S. F. No. 2151, which the committee recommends to pass with the following amendment offered by Mr. Patton:

Page 1, after line 13, insert a new section as follows:

*"Sec. 2. This act is effective November 15, 1976, for the vehicle registration year 1977 and subsequent years."*

S. F. No. 1624, which the committee recommends to pass with the following amendment offered by Mr. Stokowski:

Pages 2 to 6, strike section 2 and insert:

"Sec. 2. Minnesota Statutes 1974, Section 462.475, Subdivision 1, is amended to read:

462.475 [RENTALS, TENANT ADMISSIONS.] Subdivision 1. [AUTHORITY, POWERS, DUTIES.] In the operation or management of housing projects an authority shall at all times observe the following duties with respect to rentals and tenant admissions.

(1) It may rent or lease the dwelling accommodations therein only to persons of low income and at rentals within the financial reach of such persons of low income;

(2) It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms (but no greater number) which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof, without overcrowding; and

(3) *An authority in its operations within a municipality shall accept any families as tenants in any housing project if the families who occupy the dwelling accommodations have an aggregate annual net income at the time of admission from all sources of each member of the family residing in the household who is at least 18 years of age, excepting nonrecurring income, as determined by the authority, and the income of full-time students, and less an exemption equal to the sum of (i) \$300 for each dependent, (ii) \$300 for each secondary wage earner, (iii) 5 percent of the family's gross income (10 percent in the case of elderly individuals or families), and (iv) extraordinary medical expenses or other expense resulting from unusual circumstances as determined by the authority, in excess of five times the annual rental of the quarters to be furnished such family, and, not approve a family as tenant in a housing project if the family has an aggregate annual net income at the time of admission from all sources which is in excess of five times the annual rental for the accommodations to be provided the family. As used in this section, aggregate annual net income shall not include:*

*(a) the income of a family member, other than the head of the household or his spouse, who is under 18 years of age or who is a full-time student;*

*(b) the first \$300 of the income of a secondary wage earner who is the spouse of the head of the household;*

*(c) \$300 for each member of the family residing in the household, other than the head of the household or his spouse, who is under 18 years of age or who is 18 years of age or older and is disabled, handicapped or a full-time student;*

*(d) non-recurring income as defined by the authority;*

*(e) five percent of the family's gross income from all sources or, in the case of an elderly family, ten percent of the family's gross income;*

*(f) extraordinary medical expenses or other expenses resulting from unusual circumstances as determined by the authority; and*

*(g) an amount equal to the moneys received by the head of the household or his spouse from or under the direction of any public or private nonprofit child placing agency for the care and maintenance of one or more persons who are under 18 years of age and were placed in the family by that agency.*

(4) In computing the rental for the purpose of this section, there shall be included in the rental the average annual cost (as determined by the authority) to occupants of heat, water, electricity, gas, cooking fuel, and other necessary services or facilities, whether or not the charge for such services and facilities is included in the rental, provided, that an authority may adopt as its maximum net income for admission of families any maximum which is either: (a) the maximum net family income computed under this subdivision; (b) the maximum net family income determined pursuant to section 462.491; or (c) the maximum net family income determined pursuant to the housing and community development act of 1974."

Amend the title as follows:

Line 10, strike "462.445, Subdivision 4" and insert "462.475, Subdivision 1"

And then, on motion of Mr. Gearty, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

S. F. No. 2247: A bill for an act abolishing the Clearwater River Watershed district in the counties of Meeker, Stearns and Wright.

Reports the same back with the recommendation that the report from the Committee on Natural Resources and Agriculture shown in the Journal for March 11, 1976 that the bill "do pass" be adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

S. F. No. 2227: A bill for an act relating to negligence; civil actions; establishing the rule of pure comparative recovery negligence; amending Minnesota Statutes 1974, Section 604.01, Subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Judiciary shown in the Journal for March 4, 1976 that "when so amended the bill do pass" be adopted. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

**S. F. No. 1950:** A bill for an act relating to the practice of chiropractic; prohibiting the state and its political subdivisions from discriminating against licensed chiropractors in any manner which would tend to impede their performance and receiving compensation for authorized services; amending Minnesota Statutes 1974, Sections 148.03; and 148.08, Subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Health, Welfare and Corrections shown in the Journal for March 11, 1976 that "when so amended the bill do pass" be adopted. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred

**S. F. No. 1849:** A bill for an act relating to the legislature; creating a legislative commission on housing and community development; prescribing its powers and duties; requiring a report and budget estimate.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

**H. F. No. 610:** A bill for an act relating to metropolitan government; providing for election of council members; amending Laws 1975, Chapter 13, Section 3, Subdivisions 2 and 3, and by adding subdivisions; and Minnesota Statutes 1974, Sections 10A.01, Subdivision 5; 10A.17, Subdivision 3; 10A.20, Subdivisions 3 and 5; 10A.21, Subdivision 1; 10A.22, Subdivision 5; and 10A.25, Subdivisions 2 and 6.

Reports the same back with the recommendation that the report of the Committee on Metropolitan and Urban Affairs shown in the Journal for March 4, 1976 that "when so amended the bill do pass" be adopted and the bill re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35,

**S. F. No. 2408:** A bill for an act relating to consumer protection; regulating invention development services; prescribing contract terms and disclosures to customers; defining terms; requiring invention developers to file a bond; providing penalties.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Labor and Commerce. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

S. F. No. 2096: A bill for an act relating to metropolitan government; changing the metropolitan parks and open space commission to the metropolitan parks, arts and recreation commission and prescribing its powers and duties; authorizing the metropolitan council to issue bonds and levy taxes therefor; authorizing the commission to impose an admissions tax; imposing a transient lodging tax in the metropolitan area; requiring the completion of an environmental impact statement prior to construction of a new sports facility; requiring a certificate of need for regional recreational facilities; amending Minnesota Statutes 1974, Chapter 473, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 473.121, Subdivisions 7 and 14; 473.146, by adding a subdivision; 473.147; 473.301; 473.302; and 473.303, Subdivision 1; repealing Minnesota Statutes 1974, Section 340.11, Subdivision 11a.

Reports the same back with the recommendation that the report of the Committee on Metropolitan and Urban Affairs shown in the Journal for March 11, 1976 that "when so amended the bill do pass" be adopted and the bill re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

S. F. No. 1895: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money; amending Minnesota Statutes 1974, Section 48.-24, Subdivision 5; and Minnesota Statutes, 1975 Supplement, Sections 290.01, Subdivision 20; and 290.09, Subdivision 4.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations shown in the Journal for March 11, 1976 that "when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws" be adopted. Amendments adopted. Report adopted.

### **SECOND READING OF SENATE BILLS**

S. F. Nos. 2247, 2227, 1950 and 1849 were read the second time.

### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Friday, March 12, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTY-EIGHTH DAY

St. Paul, Minnesota, Friday, March 12, 1976

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Arnold	Davies	Josefson	Olson, A. G.	Stassen
Ashbach	Doty	Keefe, S.	Olson, J. L.	Stokowski
Bernhagen	Dunn	Kirchner	Patton	Stumpf
Blatz	Frederick	Kleinbaum	Perpich, A. J.	Ueland
Borden	Gearty	Kowalczyk	Perpich, G.	Wegener
Brataas	Hansen, Baldy	Larson	Purfeerst	Willet
Brown	Hansen, Mel	McCutcheon	Renneke	
Chmielewski	Hanson, R.	Merriam	Schrom	
Coleman	Humphrey	Milton	Solon	
Conzemius	Jensen	Moe	Spears	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rabbi Harold Schechter.

The roll being called, the following Senators answered to their names:

Arnold	Dunn	Kleinbaum	Olhoff	Sillers
Ashbach	Frederick	Knutson	Olson, A. G.	Solon
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	Spear
Blatz	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Borden	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Brataas	Hanson, R.	Lewis	Patton	Stumpf
Brown	Hughes	McCutcheon	Perpich, A. J.	Ueland
Chenoweth	Humphrey	Merriam	Perpich, G.	Wegener
Chmielewski	Jensen	Milton	Purfeerst	Willet
Coleman	Josefson	Moe	Renneke	
Conzemius	Keefe, J.	Nelson	Schaaf	
Davies	Keefe, S.	North	Schmitz	
Doty	Kirchner	Ogdahl	Schrom	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Anderson, Bang, Berg, Fitzsimons and Pillsbury were

excused from the Session of today. Mr. North was excused from the Session of today at 11:00 o'clock a.m. Mr. Olson, J. L., was excused from the Session of today at 2:00 o'clock p.m.

#### **INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Mr. Schaaf introduced—

S. F. No. 2544: A bill for an act relating to the city of Fridley; providing for membership of a certain employee thereof in the Public Employees Police and Fire Fund.

Referred to the Committee on Governmental Operations.

Messrs. Arnold and Willet introduced—

S. F. No. 2545: A bill for an act relating to water well contractors; requiring water well drilling machines to be operated by licensed water well contractors; amending Minnesota Statutes 1974, Sections 156A.02, Subdivision 3; and 156A.03, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Mr. North introduced—

S. F. No. 2546: A bill for an act relating to the board of medical examiners; adding four public members; requiring sanctions after determination of board; providing procedures for reporting and investigating malpractice complaints; requiring malpractice information from physicians from other states; prescribing reports to the complaining parties; authorizing the attorney general to investigate; amending Minnesota Statutes 1974, Sections 144.651; 147.021, Subdivision 1; 147.031, Subdivision 1; and Chapter 147 by adding sections; amending Minnesota Statutes, 1975 Supplement, Sections 147.01; 147.021, Subdivision 2; and 147.03.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Brown introduced—

S. F. No. 2547: A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; providing that when only one owner or occupant is benefited by a fence he shall be assigned the entire expenses of the fence; amending Minnesota Statutes 1974, Section 344.03, Subdivision 1; and Chapter 344, by adding a section.

Referred to the Committee on Local Government.

Mr. Brown introduced—

S. F. No. 2548: A bill for an act relating to waters; authorizing

the commissioner of natural resources to establish regulations relating to the use of watercraft on a part of the St. Croix river with the approval of a majority of the affected counties; amending Minnesota Statutes 1974, Section 85.33, Subdivision 3.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Hansen, Mel; Knutson and Ueland introduced—

S. F. No. 2549: A bill for an act relating to courts; providing that a counterclaim for damages for abuse of process may be filed when an action for damages for personal injury is filed.

Referred to the Committee on Judiciary.

Messrs. Hansen, Mel; and Knutson introduced—

S. F. No. 2550: A bill for an act relating to trials; prohibiting jury trials in professional malpractice cases; amending Minnesota Statutes 1974, Chapter 546, by adding a section.

Referred to the Committee on Judiciary.

Mr. Schaaf introduced—

S. F. No. 2551: A bill for an act relating to public health; regulating the sale, use, and display of certain substances; providing a penalty; repealing Minnesota Statutes 1974, Sections 145.38; 145.39; and 145.40.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Davies introduced—

S. F. No. 2552: A bill for an act relating to real estate; enacting the uniform land transactions act; providing a comprehensive law to govern real estate transactions; amending Minnesota Statutes 1974, Sections 507.32; 513.01; 541.01; 582.01; 582.03; repealing Minnesota Statutes 1974, Sections 507.07; 507.16; 513.04; 513.05; 559.17; 559.21; 559.213; 559.214; 581.01 to 581.11; 582.02; 582.04 to 582.10; 582.14; 582.15; and Chapter 580.

Referred to the Committee on Judiciary.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 2057, 2068, 2168 and 2237.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 11, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S. F. No. 2076:** A bill for an act relating to corrections; permitting the commissioner of corrections to pay inmates of medium-minimum security facilities certain wages and to charge such inmates for room, board, and other expenses incidental to their confinement; amending Minnesota Statutes 1974, Section 241.01, by adding a subdivision.

Senate File No. 2076 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 11, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Lewis moved that the Senate concur in the amendments by the House to S. F. No. 2076 and that the bill be placed on its repassage as amended. The motion prevailed.

**S. F. No. 2076:** A bill for an act relating to corrections; amending Minnesota Statutes 1974, Section 241.01, by adding a subdivision.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	North	Sillers
Ashbach	Frederick	Kleinbaum	Olhofs	Solon
Bernhagen	Gearty	Knutson	Olson, A. G.	Spear
Blatz	Hansen, Mel	Kowalczyk	Olson, J. L.	Stassen
Brataas	Hanson, R.	Larson	O'Neill	Stokowski
Brown	Hughes	Lewis	Patton	Stumpf
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Ueland
Coleman	Jensen	Merriam	Perpich, G.	Willet
Conzemius	Josefson	Milton	Purfeerst	
Davies	Keefe, J.	Moe	Renneke	
Doty	Keefe, S.	Nelson	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 81, 1801, 2492 and 1826.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 11, 1976

**FIRST READING OF HOUSE BILLS**

The following bills were read the first time and referred to the committees indicated.

H. F. No. 81: A bill for an act relating to real property; termination of contract for sale; providing differing times of notice in accordance with percentage of purchase price paid; amending Minnesota Statutes 1974, Section 559.21.

Referred to the Committee on Judiciary.

H. F. No. 1801: A bill for an act relating to commerce; providing for the opening of checking accounts; imposing a duty on financial institutions; providing remedies for worthless checks; providing penalties; amending Minnesota Statutes 1974, Section 609.535, Subdivisions 1, 2 and 3, and by adding subdivisions; and Chapter 549, by adding a section.

Referred to the Committee on Judiciary.

H. F. No. 2492: A bill for an act relating to environmental protection; limiting the sale and use of organic compounds known as polychlorinated biphenyls; permitting exemptions; requiring labels; defining terms; providing penalties.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 1826: A bill for an act relating to credit unions; allowing credit unions to act as trustees or custodians of employee pension benefit plan accounts; amending Minnesota Statutes, 1975 Supplement, Section 52.04.

Referred to the Committee on Labor and Commerce.

**REPORTS OF COMMITTEES**

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2117: A bill for an act relating to census data; providing for implementation of federal law permitting the state to design a plan for return of census data to the state; appropriating money; amending Minnesota Statutes 1974, Section 4.12, Subdivision 7; and Minnesota Statutes, 1975 Supplement, Section 204A.06, Subdivision 1, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the title as follows:

Page 1, line 2, strike "census data; providing for" and insert: "elections; establishing procedures for changing precinct boundar-

ies; requiring filing of precinct maps with the state demographer; imposing certain duties on the state demographer regarding coordination of census data with changes in precinct boundaries”

Page 1, strike lines 3 and 4

Page 1, line 5, strike “state”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 500: A bill for an act relating to energy; energy commission, public members; providing for compensation and reimbursement of traveling and other expenses; amending Minnesota Statutes 1974, Section 116H.04, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. The director of the energy agency shall pay to those persons who served as public members of the legislative commission on energy, created pursuant to Laws 1974, Chapter 307, Section 4, the sum of \$25 per day for each day spent in the performance of their duties subsequent to April 1, 1974. The public members shall also be reimbursed for expenses incurred during that period in the same manner and amounts as provided for state employees during that period.

Sec. 2. This act is effective the day after final enactment.”

Amend the title by striking in its entirety and inserting:

“A bill for an act relating to the energy agency; compensating former public members of the legislative commission on energy.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1965: A bill for an act relating to public health; providing for care, medical treatment, and legal rights of live births resulting from abortions.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [ABORTION; LIVE BIRTHS.] Subdivision 1. A live child born as a result of an abortion who is capable of living independently of the mother, with or without artificial aid, shall be fully recognized as a human person, and all reasonable measures consistent with good medical practice, including the compilation of

appropriate medical records, shall be taken to preserve the life and health of the child.

Subd. 2. An abortion performed after the eighteenth week of pregnancy shall be performed only in a hospital licensed under Minnesota Statutes, Sections 144.50 to 144.56. When an abortion is performed during the period of fetal viability, a physician trained in fetal resuscitation, other than the physician performing the abortion, shall be immediately accessible to take all reasonable measures consistent with good medical practice, including the compilation of appropriate medical records, to preserve the life and health of any live birth that is the result of the abortion. The period of fetal viability shall be determined by the physician attending the woman.

Subd. 3. If a child described in subdivision 1 dies after birth, the body shall be disposed of in accordance with the provisions of Minnesota Statutes, Sections 145.14 to 145.163."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2177: A bill for an act relating to retirement; miscellaneous amendments to the public employees retirement law; providing for a medical adviser in disability cases; amending Minnesota Statutes 1974, Sections 353.01, Subdivisions 2b, 16, and 30; 353.03, by adding a subdivision; 353.27, Subdivision 7; 353.30, Subdivision 3; 353.33, Subdivision 11, and by adding subdivisions; 353.34, Subdivision 6; 353.35; 353.656, Subdivision 6; and Minnesota Statutes, 1975 Supplement, Sections 353.01, Subdivision 24; 353.15; and 353.29, Subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 13, insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 43.051, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding the provisions of subdivision 1, any employee of the state of Minnesota in a covered classification as defined in the special retirement program for correctional personnel defined in chapter 352, must retire from such covered classification upon having reached or upon reaching the mandatory retirement age as of the effective dates established herein:

Effective Date	Mandatory Retirement Age
July 1, 1974	65
January 1, 1975	62
July 1, 1975	59
January 1, 1976	57
July 1, 1976	55

A covered correctional employee may be employed beyond the mandatory retirement age for a period of one year not to extend beyond ~~July 1, 1976~~, *July 1, 1977*, but in no event beyond age of 62, subject to an annual medical examination *indicating the individual is of satisfactory health and is capable of continued correctional employment.* ~~and~~ The written approval of the commissioner of corrections, whose decision shall be final, *shall also be required; provided approval shall be granted unless the commissioner finds the performance of the employee to be unsatisfactory.* A correctional employee desiring employment beyond mandatory retirement age shall be examined at his own expense and the results and findings of the medical examination shall be transmitted to the commissioner of corrections prior to the date the employee would otherwise have to retire pursuant to this subdivision.

Sec. 2. Minnesota Statutes 1974, 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 colleges employed under the college 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 item (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 State Agricultural Society.*

Sec. 3. Minnesota Statutes 1974, Section 352.01, Subdivision 2B, is amended to read:

Subd. 2B. [EXCLUDED EMPLOYEES.] The following persons are excluded from the meaning of state employee:

- (1) Elective state officers;
- (2) Students employed by the University of Minnesota, the state colleges *universities*, and community colleges unless approved for coverage by the board of regents, the state college *university* board or the state board for community colleges, as the case may be;
- (3) Employees who are eligible to membership in the state teachers retirement association except employees of the department of education who have elected or may elect to be covered by the Minnesota state retirement system instead of the teachers retirement association;
- (4) Employees of the University of Minnesota who are excluded from coverage by action of the board of regents;
- (5) Officers and enlisted men in the national guard and the naval militia and such as are assigned to permanent peacetime duty who pursuant to federal law are or are required to be members of a federal retirement system;
- (6) Election officers;
- (7) Persons engaged in public work for the state but employed by contractors when the performance of such contract is authorized by the legislature or other competent authority;
- (8) Officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed and those employees of the legislative research committee who are intermittently employed when needed ;
- (9) All courts and all employees thereof, referees, receivers, jurors, and notaries public, except employees of the supreme court and referees and adjusters employed by the department of labor and industry;
- (10) Patient and inmate help in state charitable, penal and correctional institutions including the Minnesota veterans home;
- (11) Persons employed for professional services where such service is incidental to regular professional duties and whose compensation is paid on a per diem basis;
- (12) Employees of the Sibley House Association;
- (13) Employees of the Grand Army of the Republic and employees of the ladies of the G.A.R.;
- (14) Operators and drivers employed pursuant to section 16.07, subdivision 4;
- (15) Members of the tax court, the personnel board, and the mem-

bers of any other state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of such boards if their compensation is \$500 or less per year, or, if they are legally prohibited from serving more than two consecutive terms and their total service therefor is required by law to be less than ten years; and the board of managers of the state agricultural society and its treasurer unless he is also its full time secretary;

(16) State highway patrolmen;

(17) Temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of the same year; also persons employed at any time or times by the state fair administration for special events held on the fairgrounds;

(18) Emergency employees in the classified service except emergency employees who within the same pay period become provisional or probationary employees on other than a temporary basis, shall be deemed "state employees" retroactively to the beginning of the pay period;

(19) Persons described in section 352B.01, subdivision 2, clauses (b) and (c) formerly defined as state police officers;

(20) All temporary employees in the classified service, *all temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one year period* and all seasonal help in the unclassified service employed by ~~either the motor vehicle division or the department of revenue to perform clerical duties~~ ;

(21) Trainees paid under budget classification number 41, and other trainee employees, except those listed in subdivision 2A(10);

(22) Persons whose compensation is paid on a fee basis;

(23) State employees who in any year have credit for 12 months service as teachers in the public schools of the state and as such teachers are members of the teachers retirement association or a retirement system in St. Paul, Minneapolis, or Duluth;

(24) Employees of the adjutant general employed on an unlimited intermittent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;

(25) Chaplains and nuns who have taken a vow of poverty as members of a religious order;

(26) Labor service employees ~~who are entitled to receive a pay differential because they are not entitled to annual or sick leave, or pay for holidays, or insurance coverage employed as a laborer~~ ; on an hourly basis ;

(27) Examination monitors employed by departments, agencies, commissions, and boards for the purpose of conducting examinations required by law;

(28) Members of appeal tribunals, exclusive of the chairman to which reference is made in section 268.10, subdivision 4;

(29) Persons appointed to serve as members of fact finding commissions, adjustment panels, arbitrators, or labor referees under the provisions of chapter 179;

(30) Temporary employees employed for limited periods of time under any state or federal program for the purpose of training or rehabilitation including needy persons employed thereunder for limited periods of time from areas of economic distress except skilled and supervisory personnel and persons having civil service status covered by the system;

(31) Full time students employed by the Minnesota historical society who are employed intermittently during part of the year and full time during the summer months; and

(32) Temporary employees, appointed for not more than six months, of the Metropolitan council and of any of its statutory boards, the members of which board are appointed by the Metropolitan council ;

(33) *Persons employed in positions designated by the department of personnel as student workers; and*

(34) *Any person who is 65 years of age or older when appointed and who does not have allowable service credit for previous employment, unless such employee gives notice to the director within 60 days following his appointment that he desires coverage .*

Sec. 4. Minnesota Statutes 1974, Section 352C.02, Subdivision 2, is amended to read:

Subd. 2. "Commissioner" means a person who was duly elected and qualified *and is serving as a an elected member of the department of public service of Minnesota*, "Constitutional officer" means a person who was duly elected and qualified *and is serving as a governor, a lieutenant governor, an attorney general, a secretary of state, a state auditor, or a state treasurer of the state of Minnesota*. "Former constitutional officer or commissioner" means a person who has ceased to be a constitutional officer or commissioner subsequent to the effective date of this act for any reason, including but not limited to expiration of the term of office for which elected, retirement, or death.

Sec. 5. Minnesota Statutes 1974, Section 352C.02, Subdivision 3, is amended to read:

Subd. 3. "Widow" "Surviving spouse" means the surviving wife or husband of a constitutional officer or commissioner or former constitutional officer or commissioner .

Sec. 6. Minnesota Statutes 1974, Section 352C.02, is amended by adding a subdivision to read:

Subd. 4. "Dependent child" means any natural or adopted child of a deceased constitutional officer or commissioner or former constitutional officer or commissioner who is under the age of 18, or who is under the age of 22 and is a full time student, and who in either case is unmarried and was actually dependent for more than one-half

*of his support upon such constitutional officer or commissioner for a period of at least 90 days immediately prior to the death of the constitutional officer or commissioner. It also includes a posthumous child of such constitutional officer or commissioner.*

Sec. 7. Minnesota Statutes 1974, Section 352C.04, Subdivision 1, is amended to read:

**352C.04 [SPOUSE'S AND DEPENDENT CHILDREN'S SURVIVOR BENEFITS.]** Subdivision 1. Upon the death of a constitutional officer or commissioner *while serving in such office, or a former constitutional officer or commissioner with at least eight years of allowable service, who on the date thereof was entitled to a retirement allowance,* his the surviving spouse ~~widow~~ is entitled to a survivor benefit in the amount of one half of the retirement allowance of such constitutional officer or commissioner computed as though such constitutional officer or commissioner *were at least age 65 on the date of death and based upon the attained allowable service or eight years whichever is greater had not died*. Such benefit shall be paid to a ~~widow~~ surviving spouse eligible therefor during the remainder of ~~her~~ the spouse's natural life or until she ~~remarries~~ remarriage. Upon remarriage such ~~widow~~ spouse shall no longer be eligible for such benefit *except as provided by Minnesota Statutes 1975 Supplement, Section 356.31*.

Sec. 8. Minnesota Statutes 1974, Section 352C.04, Subdivision 2a, is amended to read:

Subd. 2a. Upon the death of a constitutional officer or commissioner *while serving in such office, or a former constitutional officer or commissioner with at least eight years of allowable service, who on the date thereof was in all respects entitled to a retirement allowance except that (a) he had not retired or (b) he had not reached the age of 65,* each dependent child of such ~~deceased constitutional officer or commissioner member~~ shall be paid a survivor benefit in the following amount: First dependent child a monthly ~~allowance benefit~~ which equals 25 percent of the monthly ~~retirement allowance~~ of the constitutional officer or commissioner computed as though the constitutional officer or commissioner ~~had retired at the age of~~ *were at least age 65 on the date of his death and based upon the attained allowable service or eight years whichever is greater;* for each additional dependent child a monthly ~~allowance benefit~~ which equals 12½ percent of the monthly ~~retirement allowance~~ of the constitutional officer or commissioner computed as in the case of the first child; but the total amount paid to the surviving spouse and dependent children shall not exceed in any one month 100 percent of the monthly allowance of the constitutional officer or commissioner computed as in the case of the first child. The payments for dependent children shall be made to the surviving spouse or the guardian of the estate of the dependent child, if there is one. A posthumous child qualifies as a dependent child for benefits provided herein from the date of its birth.

Sec. 9. Minnesota Statutes 1974, Section 352C.05, is amended to read:

**352C.05 [APPLICATION FOR SURVIVOR BENEFIT.]** *Widows Surviving spouses or guardians of the estate of the dependent children entitled to payment of benefits under section 352C.04 shall file their applications therefor with the executive director of the Minnesota state retirement system, and payments shall commence as of the first of the month next following the filing of the application, but shall be retroactive to the first of the month following the death of the constitutional officer or commissioner, but no payment shall be retroactive for more than 12 months prior to the month the application is filed with the director.*

Sec. 10. Minnesota Statutes 1974, Section 352C.09, Subdivision 1, is amended to read:

**352C.09 [CONTRIBUTIONS.]** Subdivision 1. Every constitutional officer or commissioner shall contribute ~~seven~~ *eight* percent of his or her total salary *beginning the first full pay period after July 1, 1976, paid after January 1, 1967,* by payroll deduction, to be paid into the state treasury and deposited in the general fund. ~~Deductions as to total salary for the period between January 1, 1967 and July 1, 1967 shall become immediately payable or if not so paid, payroll deductions during the ensuing six months shall be increased sufficiently to amount to total payment.~~ In case of retirement any unpaid deductions shall be deducted from any retirement allowance that becomes payable. All deductions and payments, if any, in lieu of deductions are to be paid into the state treasury and deposited in the general fund. It shall be the duty of the executive director of the Minnesota state retirement system to record the contributions of each constitutional officer or commissioner and credit such contribution to such officer's or commissioner's account.

Sec. 11. Minnesota Statutes 1974, Chapter 352C, is amended by adding a section to read:

[352C.091] **[ADMINISTRATION.]** *Subdivision 1. The provisions of Minnesota Statutes, Chapter 352C, shall be administered by the Minnesota state retirement system.*

*Subd. 2. Sections 4 to 11 of this act shall apply to constitutional officers in office on and after the effective date of this act.*

Sec. 12. Minnesota Statutes, 1975 Supplement, Section 352D.02, Subdivision 1, is amended to read:

**352D.02 [COVERAGE.]** Subdivision 1. The following employees in the unclassified service of the state who are eligible for coverage under the Minnesota state retirement system shall participate in the unclassified program unless such employee gives notice to the executive director of the state retirement system within one year following June 5, 1975 or the commencement of his employment, whichever is later, that he desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file such notice with the executive director shall be deemed to have exercised his option to participate in the unclassified plan. The employee and applicable employer contributions for those employees covered by the regular plan on June 5, 1975, who after such date participate in the unclassified plan, shall be trans-

ferred to the supplemental fund in accordance with sections 352D.-02, subdivision 4 and 352D.03 as though the employee had elected to participate when first eligible to make such election. This subdivision shall also be applicable to any person who was an employee in an eligible position on or after January 1, 1975, has terminated service before June 5, 1975 with less than ten years of allowable service, and has not taken a refund of his contributions.

(1) Any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general, revisor of statutes or the state board of investment,

(2) Any department, division, or agency head, *the* assistant department head or deputy, or any employee enumerated in sections 15A.081, subdivision 1 or 15A.083, subdivision 3, **and**

(3) Any permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature or a part-time legislative employee having shares in the supplemental retirement fund whether or not eligible for coverage under the Minnesota state retirement system,

(4) *Any person employed in a position established pursuant to section 43.09, subdivision 2a which is at the deputy or assistant head of department or agency or director level, and*

(5) *The chairman and chief administrator of the Metropolitan Waste Control Commission and the chairman and executive director of the Metropolitan Council and not exceeding nine each division directors or administrative deputies as designated by the council or commission.*

*The eligibility to participate of those employees specified in clauses (4) and (5) employed in such positions on the effective date of this act, shall be retroactive to their date of appointment to such positions."*

Page 6, after line 12, insert:

"Sec. 17. Minnesota Statutes 1974, Section 353.03, Subdivision 1, is amended to read:

353.03 [BOARD OF TRUSTEES.] Subdivision 1. [MANAGEMENT; COMPOSITION; ELECTION.] The management of the public employees retirement fund is hereby vested in a board of trustees consisting of ~~13~~ 14 members, who shall be known as the board of trustees. This board shall consist of three trustees, one of whom shall be designated by each of the following associations, Minnesota school boards association, League of Minnesota Municipalities, and Association of Minnesota Counties ; **and** ; nine trustees, who shall be elected from the membership by members of the retirement association ; **and except members of the police and fire fund**; one trustee who shall be a retired annuitant elected by other annuitants ; **and one trustee who is a member of the police and fire fund elected by the membership of the police and fire fund.** Elected trustees shall hold office for a term of four years. For seven days beginning December 1 of each year, except 1974 and every fourth year thereafter, the association shall accept at its office filings in person or by mail of candidates for the board of trustees. The candidate shall submit at the time of his filing a nominating

petition signed by 25 or more members of the fund, and in the case of a retired annuitant *candidate*, a nominating petition signed by 25 or more such annuitants, and a *police and fire fund candidate*, a *nominating petition signed by 25 or more members of such fund*. No nominee may withdraw his name from nomination after December 15. Candidates shall file at large for all seats vacant at the forthcoming election. By January 10 of each year in which elections are to be held the board shall distribute by mail to the members and annuitants ballots listing the candidates, the number of positions to be filled and blank lines for write in votes. No special marking may be used on the ballot to indicate incumbents. The last day for mailing ballots to the fund shall be January 31. All terms expire on January 31 of the fourth year, and the position shall remain vacant until the newly elected member is qualified. The ballot envelopes shall be so designed and the ballots shall be counted in such a manner as to insure that each vote is secret. The election elections shall be supervised by the secretary of state. It shall be the duty of the board of trustees to faithfully administer the law without prejudice and consistent with the expressed intent of the legislature. They shall act as trustees with a fiduciary obligation to the state of Minnesota which created the fund, the taxpayers of the governmental subdivisions which aid in financing it and the public employees who are its beneficiaries.

Sec. 18. Minnesota Statutes, 1975 Supplement, Section 353.03, Subdivision 2a, is amended to read:

Subd. 2a. [EXTENSION OF TERMS.] Notwithstanding the provisions of subdivision 1, ~~no board election shall be held in the year 1975 and the terms of office of all board members are hereby shall be extended for one year until such time that the legislature determines a new method of board composition.~~

Page 12, after line 10, insert:

“Sec. 30. Minnesota Statutes 1974, Chapter 356, is amended by adding a section to read:

[356.33] [PRIVATE DATA.] *For the purpose of Minnesota Statutes, Sections 15.162 to 15.196, data on individuals collected by any public pension or retirement fund, program, plan, or association which is financed in whole or in part by funds or tax revenues provided by the State of Minnesota or any of its political subdivisions is “private data”; provided said associations may release such data to federal, state and local governmental agencies when such release is necessary for the efficient administration of the associations.*

Sec. 31. Minnesota Statutes 1974, Chapter 356, is amended by adding a section to read:

[356.34] [LIMITATION ON COVERED SALARY.] *Effective as to pay periods ending after July 1, 1977, compensation, including overtime and other extraordinary payments, received by any member of the state employees retirement fund, the highway patrolmen's retirement fund, the teachers retirement fund, or the public employees retirement fund, which is in excess of the participant's*

*normal base salary shall not be considered salary for purposes of determining pension contributions or benefits.*

*Sec. 32. The surviving spouse of a member of the public employees retirement association who died between May 1, 1974 and June 1, 1974 and who as of the date of death had attained the age of not less than 63 years, received credit for not less than 33 years of allowable service, and had selected an optional 100 percent joint and survivor annuity, may elect to receive benefits which would have been payable pursuant to the 100 percent joint and survivor annuity had the member been qualified therefor on his date of death. Payments pursuant to this section shall be in lieu of further payments pursuant to Minnesota Statutes, Section 353.31, Subdivision 1, and shall commence on the first day of the month following application therefor.*

*Sec. 33. Employees and former employees of Hennepin County who were members of the public employees retirement association on May 1, 1975 and have at least three years but less than ten years of allowable service in such fund, or a combination of such fund and funds listed in Minnesota Statutes, 1975 Supplement, Section 356.32, Subdivision 2, shall be entitled to proportionate annuities under Minnesota Statutes, 1975 Supplement, Section 356.32, even if they are over 65 years of age.*

*Sec. 34. Minnesota Statutes 1974, Section 352C.04, Subdivisions 2 and 2b, are repealed.*

*Sec. 35. This act shall be effective the day following final enactment. Any person then employed in a position excluded from Minnesota state retirement system coverage by section 3 shall be paid an immediate refund of employee contributions."*

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, after line 4, insert "inclusions and exclusions under the Minnesota state retirement system; mandatory retirement age for correctional officers; miscellaneous amendments to the elective state officers retirement plan and the unclassified employees retirement plan; providing for privacy of individual retirement data; excluding overtime payments for pension purposes;"

Page 1, line 5, after "Sections" insert "352.01, Subdivisions 2A and 2B; 352C.02, Subdivisions 2, 3, and by adding a subdivision; 352C.04, Subdivisions 1 and 2a; 352C.05; 352C.09, Subdivision 1;"

Page 1, line 6, after "353.03," insert "Subdivision 1, and"

Page 1, line 10, after "Subdivision 6;" insert "Chapter 352C, by adding a section; Chapter 356, by adding sections;"

Page 1, line 11, after "Sections" insert "43.051, Subdivision 3; 352D.02, Subdivision 1;"

Page 1, line 12, after "24;" insert "353.03, Subdivision 2a;"

Page 1, line 12, before the period insert "; and repealing Minnesota Statutes 1974, Section 352C.04, Subdivisions 2 and 2b"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was re-referred

S. F. No. 2138: A bill for an act relating to veterinary medicine; proscribing certain practices by unlicensed persons; authorizing practice by students in certain circumstances; changing the licensing fee; setting licensing standards; defining terms; amending Minnesota Statutes 1974, Sections 156.001, by adding a subdivision; 156.02, Subdivisions 1 and 2; 156.03; 156.04; 156.07; 156.072, Subdivision 1, and by adding subdivisions; and 156.12.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 4, strike "reputable"
- Page 2, line 5, after "board" insert a comma
- Page 2, line 26, strike "such" and insert "the"
- Page 3, line 1, strike "such persons" and insert "they"
- Page 3, line 2, strike "details respecting the applicant's"
- Page 3, line 3, strike "habits and general reputation,"
- Page 3, line 3, strike "such" and insert "any"
- Page 3, line 4, strike "moral" and insert "qualifications"
- Page 3, line 5, strike "character"
- Page 3, line 10, strike "such" and insert "the"
- Page 3, line 26, strike "reputable"
- Page 4, line 5, strike "such" and insert "the"
- Page 4, line 7, strike "such" and insert "the"
- Page 4, line 8, strike "such" and insert "the"
- Page 4, line 9, strike "such"
- Page 4, line 10, strike "\$10" and insert "\$25"
- Page 4, line 11, strike "Such"
- Page 4, line 14, strike "such" and insert "the"
- Page 4, line 17, strike "such"
- Page 4, line 17, strike "so"
- Page 4, line 21, strike "such"
- Page 4, line 23, strike "then and in that event"
- Page 4, line 29, strike "such" and insert "to"
- Page 5, line 16, strike "such" and insert "any"

Page 5, line 25, strike "such" and insert "any"

Page 6, line 8, strike "reputable"

Page 6, line 9, after "after" insert "publication of"

Page 6, line 11, strike "given" and insert "issued"

Page 6, after line 14, insert:

"Sec. 10. Minnesota Statutes 1974, Section 156.10, is amended to read:

**156.10 [PRACTICE OF VETERINARY MEDICINE WITHOUT LICENSE UNLAWFUL.]** It shall be unlawful for any person to practice veterinary medicine, or any branch thereof, in the state without having first secured a license or a temporary permit, as provided in this chapter, and any person violating the provisions of this section shall be guilty of a gross misdemeanor and punished therefor according to the laws of the state."

Renumber the sections in sequence

Page 6, strike lines 29 to 31 and insert "mean the diagnosis, treatment, correction, relief, or prevention of"

Page 7, line 1, strike "or render" and insert "; the performance of obstetrical procedures for animals, including determination of pregnancy and correction of sterility or infertility; and the rendering of"

Page 7, line 2, strike "; including" and insert ". The practice of veterinary medicine shall include"

Page 7, line 2, after "not" insert "be"

Page 7, line 5, strike "Such" and insert "The"

Page 7, strike lines 9 to 11

Renumber the subdivisions in sequence

Page 7, line 12, strike "A" and insert "No"

Page 7, line 13, strike "not"

Page 8, line 5, strike "such" and insert "the"

Page 8, line 9, strike the comma and insert a semicolon

Page 8, line 11, after "examination" strike the comma and insert a semicolon

Page 8, line 29, strike the period and insert a semicolon

Page 9, line 1, strike "such" and insert "the"

Page 9, line 1, after "veterinarian" insert a comma

Page 9, line 24, strike "such" and insert "adequate"

Amend the title as follows:

Page 1, line 6, after "standards;" insert "providing a penalty;"

Page 1, line 10, after the semicolon insert "156.10;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 2147: A bill for an act relating to traffic regulation; providing for traffic and parking regulation by school boards; providing a penalty; amending Minnesota Statutes 1974, Chapter 123, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 12, insert: "*Notwithstanding the provisions of section 169.71, subdivision 1, a board may require that an identification sticker not more than two inches square be placed in the lower right corner of the windshield of any vehicle parking on such property.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 2292: A bill for an act relating to Independent School Districts No. 834, No. 832 and No. 833; instruction to pupils from other districts; authorizing the districts to enter into agreements for the furnishing of instruction to non-resident pupils.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, after the period insert: "Participation by any pupil of Independent School District No. 834 in educational programs provided by Independent School District No. 832 or Independent School District No. 833 pursuant to this section shall be after consultation with the pupil's parents or legal guardians."

Further, amend the title as follows:

Page 1, line 6, after "pupils" insert "; providing that participation by students in these programs shall be after consultation with the pupil's parents or legal guardians"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 603: A bill for an act relating to education; Minnesota higher education coordinating commission; providing grants-in-aid for part time students.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike "1974"

Page 1, line 11, strike "commission" and insert "board"

Page 2, line 1, strike "1974"

Page 2, lines 3, 5, 6, 14, 16, 17, and 19, strike "commission" and insert "board"

Page 2, after line 27, insert:

"Sec. 7. The higher education coordinating board shall not, prior to February 1, 1977, enforce any provisions of sections 136A.61 to 136A.71 or any rules or regulations promulgated thereunder. This section of this act shall be effective the day following final enactment."

Further, amend the title as follows:

Page 1, line 3, strike "commission" and insert "board"

Page 1, line 4, after "students" insert "; suspending the enforcement of sections 136A.61 to 136A.71 until February 1, 1977"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 256: A bill for an act relating to education; establishing a program of tuition supplements and equivalency credits for the Minnesota national guard; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "1975" and insert "1976"

Page 1, line 12, strike "Commission" and insert "Board"

Page 1, lines 13 and 20, strike "commission" and insert "board"

Page 1, line 22, after "for" insert "enlisted"

Page 2, line 2, strike "commission" and insert "board"

Page 2, line 3, strike "COMMISSION" and insert "BOARD"

Page 2, line 4, strike "commission" and insert "board"

Page 2, line 7, after "for" insert "enlisted"

Page 2, lines 12, 17, 19, 21, 23, 29 and 30, strike "commission" and insert "board"

Page 3, line 12, after "Is" strike "a" and insert "an enlisted"

Page 3, line 20, strike the period and insert "; and"

Page 3, after line 20, insert:

"(g) Has at least two years service remaining in a current enlistment."

Page 4, line 6, strike "commission's" and insert "board's"

Page 5, lines 2, 7, 13 and 15, strike "commission" and insert "board"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2520 and 1440 for comparison to companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their Second Reading and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2520	2387				
1440	2233				

And that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1960, 1966, 2518, 2225, 1988, 2010, 2009, 1961, 435, 2335 for comparison to companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their Second Reading and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2518	2435	1960	1802		
2225	1981	1966	1844		
1988	1859	2010	1986		
1961	1867	2009	1987		
435	1078				
2335	2291				

And that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 2298 for comparison to companion Senate Files, reports the following House File was found not identical with its companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2298	2167				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2298 be amended as follows:

Page 1, line 22, after the period insert "*The amount deposited and interest earned thereon shall be turned over at the appropriate time to the claimant.*"

Page 2, lines 6 to 12 delete the underscored language

And when so amended, H. F. No. 2298 will be identical to S. F. No. 2167 and further recommends that H. F. No. 2298 be given its second reading and substituted for S. F. No. 2167 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 2463 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
		2463	2263		

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2463 be amended as follows:

Page 2, line 4, restore the stricken word "lights" and delete "lamps" and strike "on farm tractors"

Page 2, line 6, delete "*and other vehicles*"

Page 2, line 12, delete "(a)"

Page 2, delete lines 16 to 19 and insert:

*"(1) A service vehicle shall not display the lighted lamp when traveling upon the highway or at any other time except at the scene of a disabled vehicle or while engaged in snow removal or road maintenance."*

Page 2, line 20, delete "(c)" and insert "(2)"

And when so amended, H. F. No. 2463 will be identical to S. F. No. 2263 and further recommends that H. F. No. 2463 be given its second reading and substituted for S. F. No. 2263 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by

the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2090, 2490, 2022, 1382 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

CALENDAR OF					
GENERAL ORDERS		ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2490	2172	2090	1814		
2022	1793				
1382	1673				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2090 be amended as follows:

Page 1, line 12, delete "55" and insert "50"

Page 1, delete lines 21 and 22

Page 2, delete lines 1 to 4

Renumber the remaining subdivision

And when so amended, H. F. No. 2090 will be identical to S. F. No. 1814 and further recommends that H. F. No. 2090 be given its second reading and substituted for S. F. No. 1814 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2490 be amended as follows:

Page 5, line 15, delete "12" and insert "8"

Page 5, line 16, delete "12" and insert "8"

Page 6, line 19, strike "adopt and" and "suitable marking signs" and before "on" insert "*and maintain the "Glacial Ridge Trail" emblem, an arrowhead design with red, black, and white colors,*"

And when so amended, H. F. No. 2490 will be identical to S. F. No. 2172 and further recommends that H. F. No. 2490 be given its second reading and substituted for S. F. No. 2172 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H.F. No. 2022 be amended as follows:

Page 4, after line 2, insert:

"Sec. 3. [EFFECTIVE DATE.] *This act is effective the day following its final enactment.*"

And when so amended, H. F. No. 2022 will be identical to S. F. No. 1793 and further recommends that H. F. No. 2022 be given its second reading and substituted for S. F. No. 1793 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1382 be amended as follows:

Strike everything after the enacting clause and insert:

**"Section 1.** In order to conserve energy and to alleviate traffic congestion in and about the location of state offices, the commissioner of administration shall, in cooperation with the director of the Minnesota energy agency, the commissioner of highways and interested non-profit agencies, establish and operate an employee transportation program utilizing commuter vans with a capacity of not less than seven nor more than 12 passengers. The commissioner shall acquire or lease commuter vans, or otherwise contract for the provision of commuter vans, and shall make the vans available for the use of state employees in a manner consistent with standards and procedures adopted by the commissioner. Standards and procedures adopted pursuant to this section shall not be subject to chapter 15. Commuter vans may be used by state employees to travel between their homes and their work locations, and for personal purposes after working hours, not including partisan political activity. The commissioner shall provide in his standards and procedures for the recovery by the state of vehicle acquisition, lease, operation and insurance costs through efficient and convenient assignment of vans, and for the billing costs and collection of fees. A state employee using a van for personal use shall pay, pursuant to the standards and procedures adopted by the commissioner, for operating and routine maintenance costs incurred as a result of the personal use. The commissioner shall promote the maximum practicable participation of state employees in the use of the vans. Fees collected pursuant to this section shall be deposited in the account from which the costs of operating, maintaining and leasing or amortizing acquisition costs for the specific vehicle are paid.

**Sec. 2.** Use of the vans shall be limited to areas not having adequate public transportation between the residences of state employees and their places of employment. During the first year, the van program shall be implemented both in the seven-county metropolitan area and in one other region of the state.

**Sec. 3.** The program shall be evaluated after its first year of operation, and the commissioner of administration shall at that time recommend to the legislature whether the program should be expanded or discontinued. The commissioner shall periodically inform the metropolitan council and the capitol area architectural and planning board on the operation of the program.

**Sec. 4.** Notwithstanding section 15.31 or any other law to the contrary, the commissioner of administration may purchase, pursuant to chapter 16, collision insurance coverage for the commuter vans. Notwithstanding sections 16.75, subdivision 7, and

168.012, the vans shall be marked in a manner to advertise that the vans are state employee commuter vans. The vans shall not be equipped with tax-exempt motor vehicle number plates.

Sec. 5. A vehicle being used for transporting state employees pursuant to this act shall not be deemed, for purposes of chapter 65B, a common carrier or a vehicle used in the for-hire transportation of persons or property. A driver or owner of a vehicle being used for transporting state employees pursuant to this act shall not be held to the standard of care applicable to drivers or owners of common carriers, nor shall they be subject to ordinances which relate exclusively to the regulation of drivers or owners of automobiles for hire or other common carriers.

Sec. 6. Minnesota Statutes 1974, Section 16.755, is repealed.

Sec. 7. This act is effective the day following final enactment and shall expire June 30, 1979."

Further, strike the title in its entirety and insert:

"A bill for an act relating to the operation of state government; authorizing the commissioner of administration to acquire vehicles for the car pooling of state employees; appropriating money; repealing Minnesota Statutes 1974, Section 16.755."

And when so amended, H. F. No. 1382 will be identical to S. F. No. 1673 and further recommends that H. F. No. 1382 be given its second reading and substituted for S. F. No. 1673 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 1965, 2177 and 2138 were read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 500, 2147, 2292, 2520, 1440, 1960, 1966, 2518, 2225, 1988, 2010, 2009, 1961, 435, 2335, 2298, 2463, 2090, 2490, 2022 and 1382 were read the second time.

#### **MOTIONS AND RESOLUTIONS**

Mr. Kleinbaum moved that the name of Mr. Josefson be added as co-author to S. F. No. 2230. The motion prevailed.

Mr. Laufenburger moved that H. F. No. 2188 be withdrawn from the Committee on Transportation and General Legislation and re-referred to the Committee on Rules and Administration for comparison to S. F. No. 2322, now on General Orders. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

### REPORTS OF COMMITTEES

Mr. Coleman from the Committee on Rules and Administration, makes the following report: That Rule 62 of the Permanent Rules of the Senate appearing in the Journal for January 27, 1976 be amended as follows:

In column entitled "Number of Positions" strike "1" before "Legislative Fiscal Analyst I" and insert "2"; in column entitled "Salary per Day" after "Legislative Fiscal Analyst I" strike "\$60.63" and insert "1 @ \$44.52, 1 @ \$60.63"

Mr. Coleman moved the adoption of the foregoing committee report. The motion prevailed. Report adopted.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that Rule 62 of the Permanent Rules of the Senate be amended in accordance with the report from the Committee on Rules and Administration adopted today.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Keefe, J.	Nelson	Sillers
Ashbach	Frederick	Keefe, S.	Ogdahl	Solon
Bernhagen	Gearty	Kirchner	Olson, A. G.	Spear
Borden	Hansen, Baldy	Kleinbaum	Olson, J. L.	Stassen
Brown	Hansen, Mel	Knutson	O'Neill	Stokowski
Chmielewski	Hanson, R.	Kowalczyk	Patton	Stumpf
Coleman	Hughes	Lewis	Perpich, A. J.	Ueland
Conzemius	Humphrey	McCutcheon	Purfeerst	Wegener
Davies	Jensen	Merriam	Renneke	Willet
Doty	Josefson	Moe	Schmitz	

The motion prevailed. So the rule was amended.

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named persons be and are hereby appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Patrick F. Kelly transferred from Committee Administrative Assistant to Legislative Fiscal Analyst I, effective March 6, 1976.

Rev. William D. Young, Chaplain, effective March 13, 1976

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Schmitz introduced—

Senate Resolution No. 33: A senate resolution commending the Waconia High School Marching Band.

Referred to the Committee on Rules and Administration.

Mr. Coleman introduced—

Senate Concurrent Resolution No. 11: A senate concurrent resolution relating to joint rules; clarifying use of underscoring in omnibus appropriation bills; amending Joint Rule 17.

BE IT RESOLVED, by the Senate of the state of Minnesota, the House of Representatives concurring therein:

Joint Rule 17 of the Senate and House is amended to read:

[FORM OF BILLS]

Rule 17. The title of each bill shall clearly state its subject and briefly state its purpose. When a bill amends or repeals an existing act, the title shall refer to the chapter, section or subdivision.

Reference shall be made to Minnesota Statutes for the provisions appearing therein, unless reference to previous session laws is required for some special reason.

Bills shall refer to Minnesota Statutes as follows:

“Minnesota Statutes\_\_\_\_\_, Section\_\_\_\_\_.”

Bills shall refer to the session laws as follows:

“Laws\_\_\_\_\_, Chapter\_\_\_\_\_, Section\_\_\_\_\_.”

A bill for the amendment of a statute shall contain the full text of the chapter, section, or subdivision to be amended as it appears in the latest edition of Minnesota Statutes, unless it has been amended at a later session, in which event it shall contain the full text as amended. The words and characters constituting the amending matter shall be inserted in the proper place in the text and underscored. The words and characters to be eliminated by the amendment shall be stricken by drawing a line through them. The text of a new section or subdivision shall also be underscored when a bill amends an existing chapter or section by adding a new section or subdivision. *In the omnibus appropriation bills required by Joint Rule 15, sections making an appropriation or transfer and not amending a statute or session law need not have new material underscored.* Before a committee favorably reports upon such a bill, the chairman of the committee shall see that the bill conforms to this rule. When a bill is printed, the new matter shall be in italics, or underscored, and the matter to be eliminated shall be capitalized and in parentheses, or stricken by drawing a line through it. A bill drafted by the Revisor of Statutes for the purpose of correcting errors in Minnesota Statutes need not comply with the provisions of this paragraph if the bill is labeled, immediately below the title “REVISOR’S BILL” and if there is attached thereto a memorandum of information explaining the reasons for the bill.

If the bill is for an original law and not for an amendment of an existing law, the sections and subdivisions shall be arranged subdivided, and numbered in like manner as Minnesota Statutes. If such a bill assigns to the sections thereof headnotes or identification by the decimal system of numbering used in Minnesota Statutes, such headnotes and decimal identification may be submitted by standing

committee chairmen to the Revisor of Statutes for his examination. Any such headnotes shall be in capital letters enclosed in brackets, and shall be subject to the provisions of Minnesota Statutes, Section 648.36.

All numbers in titles shall be expressed in figures. All numbers of section or chapter of laws shall be in figures. In the body of a bill numbers in excess of ten shall be in figures, except for a special reason they may be written, but when written they shall not be followed by numbers in parentheses.

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

### SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Rules of the Senate be so far suspended as to make the General Orders Calendar a Special Orders Calendar for immediate consideration. The motion prevailed.

### SPECIAL ORDER

S. F. No. 2180: A bill for an act relating to housing and redevelopment authorities; allowing employees and commissioners to purchase a principal residence in a housing and redevelopment authority project; amending Minnesota Statutes 1974, Section 462.431.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kleinbaum	Olhoft	Schrom
Ashbach	Frederick	Knutson	Olson, A. G.	Sillers
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Solon
Blatz	Hansen, Baldy	Larson	O'Neill	Spear
Borden	Hansen, Mel	Laufenburger	Patton	Stassen
Brataas	Hughes	McCutcheon	Perpich, A. J.	Stokowski
Brown	Humphrey	Merriam	Perpich, G.	Stumpf
Chmielewski	Jensen	Milton	Purfeerst	Ueland
Coleman	Josefson	Moe	Renneke	Wegener
Conzemius	Keefe, J.	Nelson	Schaaf	Willet
Davies	Kirchner	Ogdahl	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2355: A bill for an act relating to state employees; limiting severance allowances for certain employees; amending Minnesota Statutes, 1975 Supplement, Section 43.224.

Mr. Gearty moved to amend S. F. No. 2355 as follows:

Page 1, line 11, strike "351.12" and insert "43.223"

Page 1, line 13, strike "*popularly*"

Page 1, line 13, after "employee" insert ", with the exception of elected employees of the legislature,"

The motion prevailed. So the amendment was adopted.

S. F. No. 2355 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Keefe, S.	Olson, H. D.	Sillers
Ashbach	Frederick	Kirchner	Olson, J. L.	Spear
Bernhagen	Gearty	Kleinbaum	O'Neill	Stassen
Blatz	Hansen, Baldy	Knutson	Patton	Stokowski
Brataas	Hansen, Mel	Larson	Perpich, A. J.	Stumpf
Brown	Hanson, R.	Laufenburger	Perpich, G.	Ueland
Chmielewski	Hughes	McCutcheon	Purfeerst	Wegener
Coleman	Humphrey	Merriam	Renneke	Willet
Conzemius	Jensen	Moe	Schaaf	
Davies	Josefson	Ogdahl	Schmitz	
Doty	Keefe, J.	Olhoff	Schrom	

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

### SPECIAL ORDER

S. F. No. 1619: A bill for an act relating to intoxicating liquors; repealing certain obsolete provisions; increasing the penalty for selling or giving away poisonous liquor; amending Minnesota Statutes 1974, Sections 340.71 and 340.942; repealing Minnesota Statutes 1974, Sections 340.38; 340.70; 340.76; 340.77; 340.79; 340.80; 340.83; 340.87; 340.88; 340.89; 340.90; 340.91; 340.92; and 340.93.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, J.	Nelson	Schaaf
Ashbach	Dunn	Keefe, S.	Ogdahl	Schmitz
Bernhagen	Frederick	Kirchner	Olhoff	Schrom
Blatz	Gearty	Kleinbaum	Olson, H. D.	Sillers
Borden	Hansen, Baldy	Knutson	Olson, J. L.	Spear
Brataas	Hansen, Mel	Kowalczyk	O'Neill	Stassen
Brown	Hanson, R.	Larson	Patton	Stokowski
Chmielewski	Hughes	Laufenburger	Perpich, A. J.	Stumpf
Coleman	Humphrey	McCutcheon	Perpich, G.	Ueland
Conzemius	Jensen	Merriam	Purfeerst	Wegener
Davies	Josefson	Milton	Renneke	Willet

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 1499: A bill for an act relating to the conduct of public officials and campaigns for public office; defining "lobbying"; redefining "lobbyist" and certain other terms; providing for the filing of certain reports and statements; providing penalties; amending Minnesota Statutes 1974, Sections 10A.01, Subdivisions 2, 5, 7, 10 and 11, and by adding a subdivision; 10A.02, Subdivisions 1, 5, 8 and 11; 10A.04, Subdivision 4; 10A.07, Subdivision 1; 10A.09, Subdivision 5; 10A.11, Subdivision 6; 10A.14, Subdivision 2; 10A.19, Subdivision 1; 10A.20, Subdivisions 1, 2, and 3, and by adding a subdivision; 10A.21, Subdivision 1; 10A.22, Subdivision 5; 10A.23; 10A.25, Subdivisions 3, 6 and 7; 10A.27, Subdivision 3; repealing Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.20, Subdivision 4; 10A.22, Subdivisions 2 and 8.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Keefe, S.	Olhoft	Solon
Ashbach	Frederick	Kirchner	Olson, A. G.	Spear
Blatz	Gearty	Kleinbaum	Olson, H. D.	Stassen
Borden	Hansen, Baldy	Knutson	Olson, J. L.	Stokowski
Brataas	Hansen, Mel	Kowalczyk	Patton	Stumpf
Brown	Hanson, R.	Lewis	Perpich, A. J.	Ueland
Chmielewski	Hughes	McCutcheon	Perpich, G.	Wegener
Coleman	Humphrey	Merriam	Purfeerst	Willet
Conzemius	Jensen	Milton	Renneke	
Davies	Josefson	Moe	Schaaf	
Doty	Keefe, J.	Ogdahl	Schmitz	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H. F. No. 1957: A bill for an act relating to natural resources; providing general condemnation power upon obtaining consent of landowner; amending Minnesota Statutes 1974, Section 84.027, by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 51 and nays 3, as follows:

Those who voted in the affirmative were:

Arnold	Chenoweth	Dunn	Hughes	Kirchner
Ashbach	Chmielewski	Frederick	Humphrey	Kleinbaum
Bernhagen	Coleman	Gearty	Jensen	Knutson
Blatz	Conzemius	Hansen, Baldy	Josefson	Kowalczyk
Brataas	Davies	Hansen, Mel	Keefe, J.	Larson
Brown	Doty	Hanson, R.	Keefe, S.	Laufenburger

McCutcheon	Olhoff	Purfeerst	Spear	Wegener
Merriam	Olson, H. D.	Renneke	Stassen	
Milton	Olson, J. L.	Schaaf	Stokowski	
Moe	Patton	Schmitz	Stumpf	
Ogdahl	Perpich, G.	Sillers	Ueland	

Messrs. Olson, A. G.; Schrom and Willet voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 1884: A bill for an act relating to health care; providing conversion privileges for spouses whose marriage was dissolved under certain accident and health insurance policies, health service plan subscriber contracts and health maintenance contracts; amending Minnesota Statutes 1974, Chapters 62A, by adding a section; 62C, by adding a section; and 62D, by adding a section.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Josefson	Milton	Schaaf
Ashbach	Davies	Keefe, J.	Moe	Schmitz
Bernhagen	Doty	Kirchner	Ogdahl	Schrom
Blatz	Dunn	Kleinbaum	Olhoff	Spear
Borden	Gearty	Knutson	Olson, H. D.	Stassen
Brataas	Hansen, Baldy	Kowalczyk	Olson, J. L.	Stokowski
Brown	Hansen, Mel	Larson	O'Neill	Stumpf
Chenoweth	Hanson, R.	Laufenburger	Patton	Ueland
Chmielewski	Hughes	McCutcheon	Perpich, G.	Wegener
Coleman	Jensen	Merriam	Renneke	Willet

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2099: A bill for an act relating to the operation and structure of state government; eliminating certain qualifications for the office of commissioner of personnel; amending Minnesota Statutes 1975, Section 43.001, Subdivision 2.

Mr. Kleinbaum moved to amend S. F. No. 2099 as follows:

Page 1, line 14, strike "in a managerial"

Page 1, line 15, strike "position including"

Page 1, line 15, after the stricken language strike "*at least three years*"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 30 and nays 28, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Kleinbaum	Olson, H. D.	Solon
Borden	Gearty	Laufenburger	Perpich, A. J.	Spear
Chenoweth	Hansen, Baldy	Lewis	Perpich, G.	Stokowaki
Chmielewski	Hughes	Moe	Schaaf	Stumpf
Coleman	Humphrey	Olhoft	Schmitz	Wegener
Conzemius	Keefe, S.	Olson, A. G.	Schrom	Willet

Those who voted in the negative were:

Ashbach	Frederick	Kirchner	Milton	Renneke
Bernhagen	Hansen, Mel	Knutson	Nelson	Sillers
Blatz	Hanson, R.	Kowalczyk	Ogdahl	Stassen
Brataas	Jensen	Larson	Olson, J. L.	Ueland
Brown	Josefson	McCutcheon	O'Neill	
Dunn	Keefe, J.	Merriam	Patton	

The motion prevailed. So the amendment was adopted.

S. F. No. 2099 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

Mr. Ashbach moved that those not voting be excused from voting. The motion did not prevail.

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

And the roll being called, there were yeas 29 and nays 31, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Lewis	Perpich, A. J.	Spear
Borden	Hansen, Baldy	Milton	Perpich, G.	Stokowski
Chenoweth	Humphrey	Moe	Schaaf	Stumpf
Chmielewski	Keefe, S.	Olhoft	Schmitz	Wegener
Coleman	Kleinbaum	Olson, A. G.	Schrom	Willet
Davies	Laufenburger	Olson, H. D.	Solon	

Those who voted in the negative were:

Ashbach	Gearty	Kirchner	North	Sillers
Bernhagen	Hansen, Mel	Knutson	Ogdahl	Stassen
Blatz	Hanson, R.	Kowalczyk	Olson, J. L.	Ueland
Brataas	Hughes	Larson	O'Neill	
Brown	Jensen	McCutcheon	Patton	
Dunn	Josefson	Merriam	Purfeerst	
Frederick	Keefe, J.	Nelson	Renneke	

So the bill failed to pass.

### SPECIAL ORDER

S. F. No. 556: A bill for an act relating to financial institutions and mortgagees; modifying the maximum interest rate that may be charged on certain loans; requiring interest to be paid on certain escrow accounts; providing penalties; amending Minnesota Statutes 1974, Sections 47.20; and 47.21.

Mr. Bernhagen moved to amend S. F. No. 556 as follows:

Page 6, line 28, strike "*This subdivision expires July 31, 1977.*"

Page 10, line 31, after the period insert "*This act shall expire July 31, 1977.*"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 44 and nays 11, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Keefe, J.	Olson, A. G.	Schmitz
Ashbach	Frederick	Kleinbaum	Olson, H. D.	Schrom
Bernhagen	Gearty	Knutson	Olson, J. L.	Sillers
Blatz	Hansen, Baldy	Larson	O'Neill	Solon
Brataas	Hansen, Mel	Lewis	Patton	Stassen
Brown	Hanson, R.	Moe	Perpich, A. J.	Ueland
Chmielewski	Hughes	Nelson	Perpich, G.	Wegener
Conzemius	Jensen	Ogdahl	Purfeerst	Willet
Doty	Josefson	Olhoft	Renneke	

Those who voted in the negative were:

Borden	Humphrey	Laufenburger	North	Spear
Chenoweth	Keefe, S.	Merriam	Schaaf	Stumpf
Davies				

The motion prevailed. So the amendment was adopted.

### RECONSIDERATION

Mr. Gearty moved that the vote whereby the Bernhagen amendment to S. F. No. 556 was adopted by the Senate on March 12, 1976, be now reconsidered.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 38 and nays 21, as follows:

Those who voted in the affirmative were:

Arnold	Gearty	Lewis	Olhoft	Solon
Borden	Hansen, Mel	McCutcheon	Olson, A. G.	Spear
Chenoweth	Hughes	Merriam	Olson, H. D.	Stokowski
Chmielewski	Humphrey	Milton	Perpich, A. J.	Stumpf
Coleman	Keefe, S.	Moe	Purfeerst	Wegener
Conzemius	Kleinbaum	Nelson	Schaaf	Willet
Davies	Larson	North	Schmitz	
Doty	Laufenburger	Ogdahl	Schrom	

Those who voted in the negative were:

Ashbach	Dunn	Josefson	O'Neill	Ueland
Bernhagen	Frederick	Keefe, J.	Patton	
Blatz	Hansen, Baldy	Knutson	Perpich, G.	
Brataas	Hanson, R.	Kowalczyk	Renneke	
Brown	Jensen	Olson, J. L.	Sillers	

The motion prevailed. So the vote was reconsidered.

The question recurred on the Bernhagen amendment.

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 20 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Jensen	Nelson	Renneke
Bernhagen	Chmielewski	Josefson	O'Neill	Sillers
Blatz	Frederick	Kirchner	Patton	Ueland
Brataas	Hansen, Baldy	Knutson	Perpich, G.	Willet

Those who voted in the negative were:

Arnold	Gerty	Lewis	Olson, A. G.	Spear
Borden	Hansen, Mel	McCutcheon	Olson, H. D.	Stokowski
Chenoweth	Hughes	Merriam	Perpich, A. J.	Stumpf
Coleman	Humphrey	Milton	Purfeerst	Wegener
Conzemius	Keefe, S.	Moe	Schaaf	
Davies	Kleinbaum	North	Schmitz	
Doty	Larson	Ogdahl	Schrom	
Dunn	Laufenburger	Olhoft	Solon	

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

S. F. No. 556 was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 58 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	North	Schmitz
Ashbach	Dunn	Kleinbaum	Ogdahl	Schrom
Bernhagen	Frederick	Knutson	Olhoft	Sillers
Blatz	Gerty	Kowalczyk	Olson, A. G.	Solon
Borden	Hansen, Baldy	Larson	Olson, H. D.	Spear
Brataas	Hansen, Mel	Laufenburger	Olson, J. L.	Stokowski
Brown	Hanson, R.	Lewis	O'Neill	Stumpf
Chenoweth	Hughes	McCutcheon	Patton	Ueland
Chmielewski	Humphrey	Merriam	Perpich, A. J.	Wegener
Coleman	Jensen	Milton	Purfeerst	Willet
Conzemius	Josefson	Moe	Renneke	
Davies	Keefe, J.	Nelson	Schaaf	

Mr. Perpich, G. voted in the negative.

So the bill passed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson, A. G. moved that S. F. No. 53 be taken from the table. The motion prevailed.

#### CONCURRENCE AND REPASSAGE

Mr. Olson, A. G. moved that the Senate concur in the amendments by the House to S. F. No. 53 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 53: A bill for an act relating to peace officer training courses; eligibility; amending Minnesota Statutes 1974, Section 626.851, Subdivision 2.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Knutson	Olson, A. G.	Sillers
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Gearty	Larson	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Borden	Hansen, Mel	Lewis	Patton	Stokowski
Brataas	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Brown	Jensen	Merriam	Perpich, G.	Ueland
Chmielewski	Josefson	Milton	Purfeerst	Wegener
Coleman	Keefe, J.	Moe	Renneke	Willet
Conzemius	Keefe, S.	Nelson	Schaaf	
Davies	Kirchner	North	Schmitz	
Doty	Kleinbaum	Olhoff	Schrom	

So the bill, as amended, was repassed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Pursuant to Rule 40, Mr. Hansen, Mel moved that S. F. No. 27 be withdrawn from the Committee on Transportation and General Legislation and placed at the top of General Orders.

The question being taken on the adoption of the motion,

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

And the roll being called, there were yeas 26 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Kirchner	Ogdahl	Stassen
Bernhagen	Hansen, Mel	Knutson	Olson, J. L.	Ueland
Blatz	Hanson, R.	Kowalczyk	O'Neill	
Brataas	Jensen	Larson	Patton	
Brown	Josefson	Nelson	Renneke	
Dunn	Keefe, J.	North	Sillers	

Those who voted in the negative were:

Arnold	Doty	Laufenburger	Olson, H. D.	Solon
Borden	Gearty	Lewis	Perpich, A. J.	Spear
Chenoweth	Hansen, Baldy	McCutcheon	Perpich, G.	Stokowski
Chmielewski	Hughes	Merriam	Purfeerst	Stumpf
Coleman	Humphrey	Milton	Schaaf	Wegener
Conzemius	Keefe, S.	Moe	Schmitz	Willet
Davies	Kleinbaum	Olhoff	Schrom	

The motion did not prevail.

Mr. Chenoweth moved that S. F. No. 1383 be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the Senate do not concur in the amendments by the House to S. F. No. 1383 and that a Conference Committee of 3 members be appointed by the Committee on

Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

### SUSPENSION OF RULES

Mr. Coleman moved that the Rules of the Senate be so far suspended as to take up the Senate Calendar and waive the lie-over requirement. The motion prevailed.

### THIRD READING OF SENATE BILLS

S. F. No. 2011: A bill for an act relating to game and fish; removing lynx from the definition of unprotected animals; authorizing the commissioner of natural resources to establish a season for taking lynx; amending Minnesota Statutes 1974, Section 100.27, Subdivision 7; Minnesota Statutes, 1975 Supplement, Sections 100.26, Subdivision 1; and 100.27, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 56 and nays 3, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	Olhoff	Solon
Asbbach	Frederick	Kleinbaum	Olson, H. D.	Spear
Bernhagen	Gearty	Knutson	Olson, J. L.	Stassen
Blatz	Hansen, Baldy	Kowalczyk	O'Neill	Stokowski
Borden	Hansen, Mel	Larson	Patton	Stumpf
Brataas	Hanson, R.	Laufenburger	Perpich, A. J.	Ueland
Brown	Hughes	Lewis	Perpich, G.	Wegener
Chenoweth	Humphrey	Merriam	Renneke	Willet
Chmielewski	Jensen	Milton	Schaaf	
Coleman	Josefson	Moe	Schmitz	
Conzemius	Keefe, J.	Nelson	Schrom	
Doty	Keefe, S.	North	Sillers	

Messrs. McCutcheon, Ogdahl and Purfeerst voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1570: A bill for an act relating to insurance; providing that the same priorities of security for payment of basic economic loss benefits apply to school buses as to non-commercial motor vehicles under the Minnesota no fault insurance act; amending Minnesota Statutes 1974, Section 65B.47, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 40 and nays 16, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Josefson	Moe	Renneke
Ashbach	Doty	Keefe, J.	Olhoff	Schmitz
Bernhagen	Dunn	Kleinbaum	Olson, H. D.	Schrom
Borden	Frederick	Knutson	Olson, J. L.	Sillers
Brataas	Gearty	Larson	O'Neill	Solon
Brown	Hansen, Baldy	Laufenburger	Patton	Ueland
Chmielewski	Hansen, Mel	Lewis	Perpich, A. J.	Wegener
Coleman	Hanson, R.	McCutcheon	Purfeerst	Willet

Those who voted in the negative were:

Blatz	Keefe, S.	Merriam	Ogdahl	Spear
Chenoweth	Kirchner	Nelson	Perpich, G.	Stassen
Humphrey	Kowalczyk	North	Schaaf	Stumpf
Jensen				

So the bill passed and its title was agreed to.

S. F. No. 1858: A bill for an act relating to the city of Roseville; membership of housing and redevelopment authority.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	North	Schmitz
Ashbach	Frederick	Kleinbaum	Ogdahl	Schrom
Bernhagen	Gearty	Knutson	Olhoff	Sillers
Blatz	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Borden	Hansen, Mel	Larson	Olson, J. L.	Spear
Brataas	Hanson, R.	Laufenburger	O'Neill	Stassen
Brown	Hughes	Lewis	Patton	Stokowski
Chenoweth	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Chmielewski	Jensen	Merriam	Perpich, G.	Ueland
Coleman	Josefson	Milton	Purfeerst	Wegener
Conzemius	Keefe, J.	Moe	Renneke	Willet
Doty	Keefe, S.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 1050: A bill for an act relating to attorneys; change of attorney and statutory lien for attorneys' fees; amending Minnesota Statutes 1974, Sections 481.11; 481.13; and 481.14.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 50 and nays 10, as follows:

Those who voted in the affirmative were:

Arnold	Chmielewski	Frederick	Humphrey	Kowalczyk
Bernhagen	Coleman	Gearty	Josefson	Larson
Borden	Conzemius	Hansen, Baldy	Keefe, J.	Laufenburger
Brataas	Davies	Hansen, Mel	Keefe, S.	Lewis
Brown	Doty	Hanson, R.	Kirchner	McCutcheon
Chenoweth	Dunn	Hughes	Kleinbaum	Merriam

Milton	Olhoft	Perpich, G.	Schmitz	Stokowski
Moe	Olson, H. D.	Purfeerst	Schrom	Stumpf
North	Patton	Renneke	Solon	Wegener
Ogdahl	Perpich, A. J.	Schaaf	Spear	Willet

Those who voted in the negative were:

Ashbach	Jensen	Nelson	O'Neill	Stassen
Blatz	Knutson	Olson, J. L.	Sillers	Ueland

So the bill passed and its title was agreed to.

S. F. No. 1051: A bill for an act relating to attorneys; providing for investigation of accusations against attorneys; amending Minnesota Statutes 1974, Section 481.15, by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schaaf
Ashbach	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoft	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemijs	Josefson	Milton	Purfeerst	Willet
Davies	Keefe, J.	Moe	Renneke	

So the bill passed and its title was agreed to.

S. F. No. 2252: A bill for an act relating to the towns of Moose Lake in Carlton county and Windemere in Pine county; authorizing the Moose Lake and Windemere area sanitary sewer district to exercise certain powers of sanitary districts; providing for the appointment of members of the sanitary sewer board; amending Laws 1974, Chapter 400, Sections 3, Subdivisions 5 and 12; 4, Subdivision 2; 8 by adding a subdivision; and by adding a section.

With the unanimous consent of the Senate, Mr. Chmielewski moved to amend S. F. No. 2252 as follows:

Page 3, after line 30, insert:

*"Sec. 6. This act takes effect upon approval by the governing body of the town of Moose Lake, as to Moose Lake, and the governing body of the town of Windemere, as to Windemere, and upon compliance with Minnesota Statutes, Section 645.021."*

The motion prevailed. So the amendment was adopted.

S. F. No. 2252 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schaaf
Ashbach	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoff	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stumpf
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Ueland
Coleman	Jensen	Merriam	Perpich, G.	Wegener
Conzemius	Josefson	Milton	Purfeerst	Willet
Davies	Keefe, J.	Moe	Renneke	

Mr. Stokowski voted in the negative.

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

S. F. No. 1821: A bill for an act relating to civil service; providing for the status of persons holding positions changed to the unclassified service; amending Minnesota Statutes, 1975 Supplement, Section 43.09, Subdivision 2a.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Kirchner	North	Schmitz
Ashbach	Dunn	Kleinbaum	Ogdahl	Schrom
Bernhagen	Frederick	Knutson	Olhoff	Sillers
Blatz	Gearty	Kowalczyk	Olson, H. D.	Solon
Borden	Hansen, Baldy	Larson	Olson, J. L.	Spear
Brataas	Hansen, Mel	Laufenburger	O'Neill	Stassen
Brown	Hanson, R.	Lewis	Patton	Stokowski
Chenoweth	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chmielewski	Humphrey	Merriam	Perpich, G.	Ueland
Coleman	Jensen	Milton	Purfeerst	Wegener
Conzemius	Keefe, J.	Moe	Renneke	Willet
Davies	Keefe, S.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 2147: A bill for an act relating to intoxicating liquor; permits to sell upon military bases or installations.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 55 and nays 3, as follows:

Those who voted in the affirmative were:

Arnold	Brataas	Conzemius	Hansen, Baldy	Jensen
Ashbach	Brown	Doty	Hansen, Mel	Josefson
Bernhagen	Chenoweth	Dunn	Hanson, R.	Keefe, J.
Blatz	Chmielewski	Frederick	Hughes	Keefe, S.
Borden	Coleman	Gearty	Humphrey	Kleinbaum

Knutson	Merriam	Olson, H. D.	Schaaf	Stassen
Kowalczyk	Milton	O'Neill	Schmitz	Stokowski
Larson	Moe	Patton	Schrom	Stumpf
Laufenburger	Nelson	Perpich, A. J.	Sillers	Ueland
Lewis	North	Perpich, G.	Solon	Wegener
McCutcheon	Ogdahl	Purfeerst	Spear	Willet

Messrs. Olhoff; Olson, J. L. and Renneke voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1753: A bill for an act relating to financial institutions; requiring insurance for accounts in credit unions and savings associations; requiring a certificate of approval; amending Minnesota Statutes 1974, Section 51A.23 by adding subdivisions; and Chapter 52 by adding a section.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 53 and nays 6, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kleinbaum	North	Sillers
Ashbach	Gearty	Knutson	Ogdahl	Solon
Blatz	Hansen, Baldy	Kowalczyk	Olhoff	Spear
Brataas	Hansen, Mel	Larson	Olson, J. L.	Stassen
Brown	Hanson, R.	Laufenburger	O'Neill	Stokowski
Chenoweth	Hughes	Lewis	Perpich, A. J.	Stumpf
Chmielewski	Humphrey	McCutcheon	Perpich, G.	Ueland
Coleman	Josefson	Merriam	Purfeerst	Wegener
Conzemius	Keefe, J.	Milton	Schaaf	Willet
Davies	Keefe, S.	Moe	Schmitz	
Doty	Kirchner	Nelson	Schrom	

Those who voted in the negative were:

Bernhagen	Jensen	Olson, H. D.	Patton	Renneke
Frederick				

So the bill passed and its title was agreed to.

S. F. No. 1776: A bill for an act relating to workmen's compensation; providing that compensation for injury to internal organs will be based on that injury's contribution to the individual's general physical disability; amending Minnesota Statutes, 1975 Supplement, Section 176.101, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Brataas	Conzemius	Gearty	Humphrey
Ashbach	Brown	Davies	Hansen, Baldy	Jensen
Bernhagen	Chenoweth	Doty	Hansen, Mel	Josefson
Blatz	Chmielewski	Dunn	Hanson, R.	Keefe, J.
Borden	Coleman	Frederick	Hughes	Keefe, S.

Kirchner	McCutcheon	Olhoft	Purfeerst	Spear
Kleinbaum	Merriam	Olson, H. D.	Renneke	Stassen
Knutson	Milton	Olson, J. L.	Schaaf	Stokowski
Kowalczyk	Moe	O'Neill	Schmitz	Stumpf
Larson	Nelson	Patton	Schrom	Ueland
Laufenburger	North	Perpich, A. J.	Sillers	Wegener
Lewis	Ogdahl	Perpich, G.	Solon	Willet

So the bill passed and its title was agreed to.

S. F. No. 2037: A bill for an act relating to medicine and osteopathy; authorizing continuing education requirements for licensed practitioners; amending Minnesota Statutes 1974, Chapter 147, by adding a section.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schaaf
Ashbach	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoft	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet

So the bill passed and its title was agreed to.

S. F. No. 2151: A bill for an act relating to motor vehicles; registration and taxation; exempting certain vehicles from license fees; amending Minnesota Statutes, 1975 Supplement, Section 168.012, Subdivision 2b.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schaaf
Ashbach	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoft	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet

So the bill passed and its title was agreed to.

S. F. No. 175: A bill for an act relating to corrections; increasing the scope of the jurisdiction and power of the ombudsman; preserving the rights of complainants; providing a penalty for persons hindering the ombudsman; removing an expiration date; appropriating money; amending Minnesota Statutes 1974, Sections 241.42, Subdivision 2; 241.44, Subdivisions 1 and 3, and by adding a subdivision; and Chapter 241, by adding a section; repealing Minnesota Statutes 1974, Section 241.42, Subdivision 4; and Laws 1973, Chapter 553, Section 7.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 58 and nays 2, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kleinbaum	Ogdahl	Schrom
Ashbach	Frederick	Knutson	Olhoft	Sillers
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	Solon
Blatz	Hansen, Baldy	Larson	Olson, J. L.	Spear
Borden	Hanson, R.	Laufenburger	O'Neill	Stassen
Brataas	Hughes	Lewis	Patton	Stokowski
Brown	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Jensen	Merriam	Perpich, G.	Ueland
Chmielewski	Josefson	Milton	Purfeerst	Wegener
Coleman	Keefe, J.	Moe	Renneke	Willet
Conzemius	Keefe, S.	Nelson	Schaaf	
Davies	Kirchner	North	Schmitz	

Messrs. Doty and Hansen, Mel voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 100: A bill for an act relating to cities and towns; providing for negotiation of contracts between cities, towns and state departments and agencies for provision of fire and police protection services for state institutions, land and other property; and appropriating money.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoft	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet
Doty	Keefe, S.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 1587: A bill for an act relating to appropriations; appro-

prying money to fund a program of graduate training in family practice for physicians.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	North	Schmitz
Ashbach	Frederick	Kleinbaum	Ogdahl	Schrom
Bernhagen	Gearty	Knutson	Olhoff	Sillers
Blatz	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Borden	Hansen, Mel	Larson	Olson, J. L.	Spear
Brataas	Hanson, R.	Laufenburger	O'Neill	Stassen
Brown	Hughes	Lewis	Patton	Stokowski
Chenoweth	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Chmielewski	Jensen	Merriam	Perpich, G.	Ueland
Coleman	Josefson	Milton	Purfeerst	Wegener
Conzemius	Keefe, J.	Moe	Renneke	Willet
Doty	Keefe, S.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 612: A bill for an act relating to retirement; withdrawal of share values by members of the unclassified employees retirement program; amending Minnesota Statutes, 1975 Supplement, Section 352D.05, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schaaf
Ashbach	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoff	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet

So the bill passed and its title was agreed to.

S. F. No. 2251: A bill for an act relating to crime victims reparations; authorizing a claim to be filed within one year of the time when it could have been reasonably made; amending Minnesota Statutes 1974, Section 299B.03, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schaaf
Ashbach	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoff	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet

So the bill passed and its title was agreed to.

S. F. No. 1624: A bill for an act relating to housing and redevelopment; permitting coinciding terms of office for city council members of a municipality who are appointed commissioners of a municipal housing and redevelopment authority; redefining powers of local housing and redevelopment authorities in carrying out legislation; amending Minnesota Statutes 1974, Sections 462.425, Subdivision 6; and 462.475, Subdivision 1; repealing Minnesota Statutes 1974, Section 462.501, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 57 and nays 2, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	Olhoff	Sillers
Ashbach	Frederick	Kleinbaum	Olson, H. D.	Solon
Bernhagen	Gearty	Larson	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Borden	Hansen, Mel	Lewis	Patton	Stokowski
Brataas	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Brown	Hughes	Merriam	Perpich, G.	Ueland
Chenoweth	Humphrey	Milton	Purfeerst	Wegener
Coleman	Jensen	Moe	Renneke	Willet
Conzemius	Josefson	Nelson	Schaaf	
Davies	Keefe, J.	North	Schmitz	
Doty	Keefe, S.	Ogdahl	Schrom	

Messrs. Chmielewski and Knutson voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1927: A bill for an act relating to no fault automobile insurance; clarifying the definition of motor vehicle; providing penalties against motorcycle owners who violate the no fault insurance act; amending Minnesota Statutes 1974, Section 65B.67, by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schaaf
Ashbach	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoft	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet

So the bill passed and its title was agreed to.

S. F. No. 2232: A bill for an act relating to optometric services providing for inclusion of optometric services in benefits for expenses incurred for medical treatment or services; amending Minnesota Statutes 1974, Section 62A.15, Subdivision 1, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	North	Schmitz
Ashbach	Frederick	Kleinbaum	Ogdahl	Schrom
Bernhagen	Gearty	Knutson	Olhoft	Sillers
Blatz	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Borden	Hansen, Mel	Larson	Olson, J. L.	Spear
Brataas	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet
Doty	Keefe, S.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 2056: A bill for an act relating to the city of Duluth; authorizing residential property rehabilitation loans and grants.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Chenoweth	Frederick	Jensen	Kowalczyk
Ashbach	Chmielewski	Gearty	Josefson	Larson
Bernhagen	Coleman	Hansen, Baldy	Keefe, J.	Laufenburger
Blatz	Conzemius	Hansen, Mel	Keefe, S.	Lewis
Borden	Davies	Hanson, R.	Kirchner	McCutcheon
Brataas	Doty	Hughes	Kleinbaum	Merriam
Brown	Dunn	Humphrey	Knutson	Milton

Moe	Olson, H. D.	Perpich, G.	Schrom	Stokowski
Nelson	Olson, J. L.	Purfeerst	Sillers	Stumpf
North	O'Neill	Renneke	Solon	Ueland
Ogdahl	Patton	Schaaf	Spear	Wegener
Olhoff	Perpich, A. J.	Schmitz	Stassen	Willet

So the bill passed and its title was agreed to.

S. F. No. 1932: A bill for an act relating to banking; providing for mailed notice of automatic renewal of time deposits and possible penalties or loss of interest or reduction of interest; amending Minnesota Statutes 1974, Chapter 47, by adding a section.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	North	Schmitz
Ashbach	Dunn	Kirchner	Ogdahl	Schrom
Bernhagen	Frederick	Kleinbaum	Olhoff	Sillers
Blatz	Gearty	Knutson	Olson, H. D.	Solon
Borden	Hansen, Baldy	Kowalczyk	Olson, J. L.	Spear
Brataas	Hansen, Mel	Larson	O'Neill	Stassen
Brown	Hanson, R.	Laufenburger	Patton	Stokowski
Chenoweth	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chmielewski	Humphrey	Merriam	Perpich, G.	Ueland
Coleman	Jensen	Milton	Purfeerst	Wegener
Conzemius	Josefson	Moe	Renneke	Willet
Davies	Keefe, J.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

S. F. No. 2152: A bill for an act relating to anatomical gifts; eye enucleation; authorizing eye enucleation upon pronouncement of death by a physician; amending Minnesota Statutes, 1975 Supplement, Section 525.924, Subdivision 6.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoff	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet
Doty	Keefe, S.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 2244: A bill for an act relating to public employment labor relations; providing for determination of the fair share fee; providing for appeal of that determination; amending Minnesota Statutes 1974, Sections 179.63, by adding a subdivision; 179.65, Subdivision 2; 179.71, Subdivision 2; and 179.72, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoft	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet
Doty	Keefe, S.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

H. F. No. 527: A bill for an act relating to the purchase of surplus state property at public auction by state employees; amending Minnesota Statutes 1974, Section 15.055.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schaaf
Ashbach	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Sillers
Blatz	Gearty	Knutson	Olhoft	Solon
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Spear
Brataas	Hansen, Mel	Larson	Olson, J. L.	Stassen
Brown	Hanson, R.	Laufenburger	O'Neill	Stokowski
Chenoweth	Hughes	Lewis	Patton	Stumpf
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Ueland
Coleman	Jensen	Merriam	Perpich, G.	Wegener
Conzemius	Josefson	Milton	Purfeerst	Willet
Davies	Keefe, J.	Moe	Renneke	

Mr. Schrom voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 2216: A bill for an act relating to interim claims against the state; appropriating moneys for the payment thereof; repealing Laws 1969, Chapter 886, Section 3, Subdivision 10.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schaaf
Ashbach	Dunn	Kirchner	North	Schmitz
Bernhagen	Frederick	Kleinbaum	Ogdahl	Schrom
Blatz	Gearty	Knutson	Olhoft	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Solon
Brataas	Hansen, Mel	Larson	Olson, J. L.	Spear
Brown	Hanson, R.	Laufenburger	O'Neill	Stassen
Chenoweth	Hughes	Lewis	Patton	Stokowski
Chmielewski	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Conzemsius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Renneke	Willet

So the bill passed and its title was agreed to.

### SUSPENSION OF RULES

Mr. Coleman moved that the rules of the Senate be so far suspended that S. F. No. 1191, No. 28 on General Orders, be made a Special Order for immediate consideration. The motion prevailed.

### SPECIAL ORDER

S. F. No. 1191: A bill for an act relating to Carlton County; authorizing the establishment of a human services board for Carlton county.

Mr. Arnold moved to amend S. F. 1191 as follows:

Strike everything after the enacting clause and insert:

"Section 1. [COUNTY HUMAN SERVICES BOARD.] Subdivision 1. Notwithstanding the population requirements of Minnesota Statutes, Section 402.01, the county boards of the counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake or St. Louis, acting individually or jointly, may by resolution designate a human services board having the composition, powers, and duties provided in Minnesota Statutes, Sections 402.01 to 402.10.

Subd. 2. Any county creating a human services board pursuant to subdivision 1 shall provide evidence on an annual basis as part of its annual human services board plan that continuing efforts have been undertaken with contiguous counties situated within the boundaries of development region 3 designated pursuant to sections 462.381 to 462.396 to consider the addition of contiguous counties to the county's human services board in order to comply with the population base and number of counties required in section 402.01.

Subd. 3. The county or counties establishing a human service board pursuant to this act is not eligible for financial assistance as provided in Laws 1975, Chapter 434, Section 2, Subdivision 24, for the biennium ending June 30, 1977.

Sec. 2. This act shall be effective as to any county named in section 1 on the approval of the act by the board of county commissioners of the county and upon compliance with Minnesota Statutes, Section 645.021."

Amend title by striking it in its entirety and inserting "A bill for an act relating to the counties of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis; authorizing those counties to establish human services boards."

Mr. Doty moved to amend the Arnold amendment to S. F. No. 1191 as follows:

Section 1, strike "Cook," "Lake or St. Louis" and insert "and" after "Carlton,"

Amend the title amendment by striking "Cook," "Lake, and St. Louis" and inserting "and" after "Itasca,"

The motion prevailed. So the amendment to the Arnold amendment was adopted.

The question recurred on the Arnold amendment.

The motion prevailed. So the amendment was adopted.

S. F. No. 1191: A bill for an act relating to the counties of Aitkin, Carlton, Itasca and Koochiching; authorizing those counties to establish human services boards."

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 41 and nays 9, as follows:

Those who voted in the affirmative were:

Arnold	Hansen, Baldy	Laufenburger	Perpich, A. J.	Stokowski
Blatz	Hanson, R.	McCutcheon	Perpich, G.	Stumpf
Brown	Hughes	Merriam	Purfeerst	Ueland
Chmielewski	Humphrey	Moe	Renneke	Wegener
Coleman	Jensen	Olhoft	Schaaf	Willet
Davies	Josefson	Olson, H. D.	Schmitz	
Doty	Keefe, J.	Olson, J. L.	Schrom	
Dunn	Kowalczyk	O'Neill	Solon	
Gearty	Larson	Patton	Spear	

Those who voted in the negative were:

Ashbach	Brataas	Hansen, Mel	Knutson	North
Bernhagen	Frederick	Keefe, S.	Nelson	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills. The motion prevailed.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2164: A bill for an act relating to elections; limiting persons who may assist voters at the polling place; amending Min-

nesota Statutes, 1975 Supplement, Section 204A.34, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, after "voter" insert "*not a member of his immediate family*"

Page 1, line 10, after "a" insert "*residential*"

Page 1, after line 12, insert:

"Sec. 2. *This act is effective on the day following final enactment.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 1785: A bill for an act relating to elections; providing for the maintenance of voter registration files; amending Minnesota Statutes 1974, Section 201.081, Subdivisions 2 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "*Both*"

Page 1, line 18, strike "when" and insert "*that the duplicate file may be*"

Page 1, strike lines 20 through 23 and insert:

"Sec. 2. [REPEAL.] *Minnesota Statutes 1974, Section 201.081, Subdivision 3, is repealed.*

Sec. 3. *This act is effective on the day following final enactment.*"

Page 2, strike lines 1 through 4.

Further, amend the title as follows:

Page 1, line 5, strike "Subdivisions 2 and 3" and insert "Subdivision 2; repealing Minnesota Statutes 1974, Section 201.081, Subdivision 3"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred

H. F. No. 1226: A bill for an act relating to drivers' licenses; classifications; providing that a class C license is valid for the operation of special mobile equipment used primarily for the construction or maintenance of streets and highways; amending Minnesota Statutes 1974, Section 171.02, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 12, insert *“Notwithstanding any law to the contrary, for the purposes of this subdivision “GVW” means the weight of the vehicle plus the weight of the load thereon.”*

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred

H. F. No. 2326: A bill for an act relating to highway traffic regulations; driving restrictions on certain juveniles; repealing Minnesota Statutes 1974, Section 169.131.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, add a new section to read:

*“Sec. 2. This act is effective June 1, 1976.”*

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2097: A bill for an act relating to elections; providing for additional attestations for certain absentee ballots; amending Minnesota Statutes 1974, Section 207.08.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 31, after *“nursing home”* insert *“by other than a representative of the county auditor”*

Page 6, line 16, after *“nursing home”* insert *“by other than a representative of the county auditor”*

Page 6, after line 19, insert:

*“Sec. 2. This act is effective on the day following final enactment.”*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2459: A bill for an act relating to highway traffic regulations; prescribing the width of vehicles; amending Minnesota Statutes 1974, Section 169.80, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 15, insert:

*"A vehicle owned by a political subdivision and used exclusively for the purpose of transporting sewage sludge to farm fields shall not be operated outside a fifteen mile radius of the supply facilities, nor shall it be operated between the hours of sunset and sunrise, or at any other time when visibility is impaired by weather, smoke, fog or other conditions rendering persons and vehicles not clearly discernible on the highway at a distance of 500 feet."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2398: A bill for an act relating to highway traffic regulations; special permits for oversize and overweight vehicles; authorizing an annual permit for refuse compactor vehicles and prescribing maximum loads thereon; providing a fee therefor; amending Minnesota Statutes 1974, Section 169.86, Subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20 strike "40,000" and insert "38,000"

Page 1, line 21, strike "\$25" and insert "\$100"

Page 1, after line 24, insert new sections 2 and 3 as follows:

*"Sec. 2. [REPEALER.] Minnesota Statutes 1974, Section 169.831, is repealed.*

*Sec. 3. This act is effective the date following final enactment."*

Further, amend the title as follows:

Page 1, line 7, after "5" insert "; repealing Minnesota Statutes 1974, Section 169.831"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2455: A bill for an act relating to taxation; providing for a refund of certain amounts of taxes paid for the 1975 taxable year; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "ending" and insert "beginning"

Page 1, line 15, delete "ending" and insert "beginning"

Page 1, line 16, after "(2)," delete "and" and after "(3)," insert "(6), and (7)."

Page 1, line 17, delete "In case of death during a"

Page 1, delete lines 18 and 19

Page 2, line 2, delete "ending" and insert "beginning"

Page 2, line 31, after the period insert "The amount of any refund payable under this act may be applied by the commissioner of revenue against any liability for tax owed to the department of revenue by the taxpayer or spouse of the taxpayer, and shall pay the balance due, if any, to the taxpayer."

Subd. 2a. [ERRONEOUS REFUNDS; CLAIMS.] A taxpayer who receives no refund from the commissioner pursuant to this act, or who believes that he is entitled to the refund of a sum greater than that which he has been paid, may file a claim in writing with the commissioner of revenue stating the amount to which he believes he is entitled. Any orders denying such claims in whole or in part shall be appealable to the Minnesota tax court as provided in Minnesota Statutes, Section 271.06.

Subd. 2b. [STATUTE OF LIMITATIONS.] No refund shall be made under this act on any return which is filed more than six months after the due date or extended due date for the filing of the return as provided in Minnesota Statutes, Section 290.42, and claims for refunds under this act shall be subject to the provisions of Minnesota Statutes, Section 290.50."

Page 3, line 8, delete "included in any definition" and insert "considered as income for purposes of Minnesota Statutes, Chapters 290 and 290A and shall not be considered as income in any program of public assistance or public welfare."

Page 3, delete lines 9 and 10

Page 3, line 14, delete "ending" and insert "beginning"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2082: A bill for an act relating to taxation; providing for payments from the taconite municipal aid account to certain cities and towns; amending Minnesota Statutes 1974, Section 298.282, Subdivision 2, and by adding subdivisions.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2103: A bill for an act relating to the public employees

retirement association; authorizing the acquisition of real estate and the construction of necessary building and structures thereon; and appropriating moneys therefor.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, strike "bodies" and insert "pension funds or other state agencies"

Page 1, line 23, after the period insert: "If the building is constructed within the jurisdiction of the capitol area architectural and planning board, the preparation of plans and specifications shall be as provided in section 15.50."

Page 2, strike lines 17 to 22

Page 2, line 23, strike "Subdivision 1."

Page 2, line 26, strike "give" and insert "exchange"

Page 2, strike lines 29 to 32

Page 3, strike lines 1 to 5

Page 3, lines 8, strike "bodies" and insert "pension funds or other state agencies"

Page 5, after line 10, insert:

"Sec. 8. [LIMITATION.] No more than five percent of the gross dollar assets of the public employees retirement association, including the participation in the Minnesota adjustable fixed benefit fund, as valued for actuarial purposes on January 1, 1977, may be invested in the building by the public employees retirement association."

Renumber the remaining sections

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2132: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; providing for the revocation of a driver's license or permit by the commissioner of public safety upon receipt of chemical test that person's blood contains .10 percent or more by weight of alcohol; providing procedural safeguards; providing for issuance of a limited license; providing for reinstatement of a revoked license; prescribing penalties; and appropriating money; amending Minnesota Statutes 1974, Chapter 169, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 6, after the dollar sign insert "*159,300*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 2277: A bill for an act relating to the organization and operation of state government; codifying various provisions formerly contained as riders in appropriation acts; amending Minnesota Statutes 1974, Sections 3.755; 16A.28; 16A.72; 38.02, Subdivision 1, and by adding a subdivision; 121.26; 125.08; 136.06; 136.11, Subdivisions 1 and 2, and by adding subdivisions; 136.13; 136.62, by adding a subdivision; 137.02, Subdivision 3, and by adding subdivisions; 138.01; 144.169, by adding a subdivision; 158.04; 158.05; 158.08; 161.142, Subdivision 6; 161.201; 167.45; 171.26; 173.231; 241.27, by adding a subdivision; 243.44; 245.61; 245.65, Subdivision 1; 246.02, Subdivisions 2 and 4; 248.07, Subdivision 8; 252.27, Subdivision 1; 254A.08, Subdivision 3; 256.01, Subdivision 8; 256.011; 260.311, Subdivision 5; 299D.03, Subdivision 6; 299D.-04; 352B.02, Subdivision 1; Chapters 134, 136, 137, 138, 139, 161, 242, 245, and 246, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 16.02, Subdivision 16; 136A.121, Subdivision 3; 139.10, by adding subdivisions; 243.09, Subdivision 3; 252.24, Subdivision 4; 260.251, Subdivision 1a; 268.08, Subdivision 5; repealing Minnesota Statutes 1974, Sections 136.821; 161.241, Subdivision 5; 161.261, Subdivision 3; 167.40; 299D.03, Subdivision 4; Laws 1969, Chapter 157, Section 2; Laws 1973, Chapter 768, Section 23; and Laws 1975, Chapter 433, Section 20.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 3 and 4, strike all of section 3

Page 20, strike all of sections 25 and 26

Page 20, line 28, strike "5" and insert "4"

Pages 23 and 24, strike all of sections 33 to 36

Page 27, line 14, strike "17" and insert "7"

Pages 30 and 31, strike all of section 50

Page 33, line 28, strike "*State Hospital*" and insert "*Nursing Home*"

Page 35, line 23, strike "*charge*" and insert "*establish*"

Page 36, line 4, strike "*maids or*"

Page 36, line 5, strike "*similar*"

Page 36, line 7, strike "*, unless the maid or*" and insert a period

Page 36, strike lines 8 to 10

Page 36, line 24, strike "*administration*" and insert "*personnel*"

Page 38, line 31, reinstate the stricken language beginning with "*The*"

Page 38, line 32, reinstate the stricken language

Page 39, lines 1 to 6, reinstate the stricken language

Page 41, line 2, after "for" insert "a portion of"

Page 41, line 3, strike "appropriate state matching money" and insert "remaining portion"

Page 41, line 3, after "from" insert "state"

Page 41, line 4, strike "state"

Renumber the sections

Amend the title as follows:

Line 6, strike "16A.28;"

Line 10, strike "Subdivision 3, and"

Line 11, strike "subdivisions" and insert "a subdivision"

Line 14, strike "243.44;"

Line 20, strike "139,"

Lines 23 and 24, strike "139.10, by adding subdivisions;"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

H. F. No. 1026: A bill for an act relating to land use planning; establishing a land use planning assistance program of grants for local government units to be administered by the state planning agency and the metropolitan council; appropriating money; amending Laws 1975, Chapter 13, Section 18, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 28, strike "1975" and insert "1976"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

H. F. No. 354: A bill for an act relating to public welfare; providing for the licensing of facilities and services for the handicapped and children; prescribing penalties; amending Minnesota Statutes 1974, Section 252.28; repealing Minnesota Statutes 1974, Sections 245.78; 245.79; 245.80; 245.81; 245.82; 257.081; 257.082; 257.091; 257.101; 257.102; 257.111; 257.123; and 257.124.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

H. F. No. 290: A bill for an act relating to sex discrimination;

abolishing discrimination on the basis of sex in certain insurance laws; amending Minnesota Statutes 1974, Sections 61A.12, Subdivisions 2 and 4; 62A.041; 62C.14, Subdivision 5a; 69.40; 69.41; and 69.48.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 485: A bill for an act relating to the operation of state government; creating a department of vocational rehabilitation; transferring the powers and duties of the division of vocational rehabilitation to the department; transferring personnel and appropriations; repealing Minnesota Statutes 1974, Sections 121.29; 121.30; 121.301; 121.31; 121.32; 121.33; 121.331; 121.71; 121.711; 121.712; 121.713; and 121.714.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 28, strike "at the"

Page 2, line 29, strike "governor's pleasure" and insert "for cause after notice and hearing"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 2465: A bill for an act relating to natural resources; appropriating money for overtime compensation to conservation officers pursuant to contract; describing the contract provisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "\$515,263" and insert "\$449,000"

Page 1, line 13, strike "\$515,263" and insert "\$452,600"

Page 1, line 14, strike everything after the period

Page 1, strike lines 15, 16, 17, and 18

Page 1, line 19, strike "contrary."

Page 1, line 20, strike "appropriated"

Page 1, line 21, strike "appropriated"

Page 1, line 21, after the period insert, "The sums so appropriated shall be added to the amounts appropriated in Laws 1975, Chapter 204, Section 51, Subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 1644: A bill for an act relating to public welfare; establishing a senior companion program; appropriating funds.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 28, strike "governor's citizens council" and insert "Minnesota board"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance to which was re-referred

S. F. No. 1857: A bill for an act creating a Minnesota law revision board; prescribing its duties and functions; and appropriating funds for its operation.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2241: A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for disposition of proceeds of sale.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 9, after "[FEE.]" strike the rest of the line and insert "The fee for a migratory waterfowl stamp shall be \$3."

Page 2, strike lines 10 through 13

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2338: A bill for an act relating to education; appropriating money to Independent School District No. 518 for programs for handicapped children enrolled in Lakeview School at Worthington.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2364: A bill for an act relating to the administration of criminal justice; transferring primary investigatory jurisdiction

in correctional institutions to the bureau of criminal apprehension; providing that the attorney general shall prosecute all criminal offenses arising on the premises of correctional institutions; amending Minnesota Statutes 1974, Sections 8.01; 299C.03; 387.03; and 388.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 24, after "*any*" insert "*felony or serious*"

Page 1, line 25, strike "*within the state*"

Page 2, line 1, strike "*a*" and insert "*an adult*"

Page 2, line 2, strike "*Unless it is deemed necessary*"

Page 2, strike lines 3 to 5

Page 2, line 28, after "*a*" insert "*felony or serious*"

Page 2, line 29, strike "*a*" and insert "*an adult*"

Amend the title as follows:

Page 1, line 6, strike "*all*" and insert "*certain*"

Page 1, line 7, after "*of*" insert "*adult*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2250: A bill for an act relating to drivers licenses; authorizing the issuance of limited licenses under certain conditions; providing that certain students may receive a limited license under certain restrictions; amending Minnesota Statutes 1974, Section 171.30, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike "*higher*" and insert "*post-secondary*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2127: A bill for an act relating to products liability; awarding costs to defendants in frivolous cases; amending Minnesota Statutes 1974, Chapter 549, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "*defendant*" and insert "*party*"

Page 1, line 10, strike "*brought on a claim of products liability*"

Page 1, line 13, after "action" insert "or any part of the defense"

Amend the title as follows:

Page 1, line 2, strike "products liability" and insert "civil actions"

Page 1, line 2, after "costs" insert "and attorneys fees"

Page 1, line 3, strike "defendants" and insert "a party"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1922: A bill for an act relating to crimes; exempting prison guards from pistol permit requirements when on duty; amending Minnesota Statutes, 1975 Supplement, Section 624.714, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "of the" and insert "at a"

Page 1, line 10, after "state" insert "adult"

Page 1, line 11, strike "prison, state reformatory for men, or Minnesota"

Page 1, line 12, strike "for women"

Page 1, line 13, strike "the course of pursuing"

Page 1, line 14, strike "requirement"

Amend the title as follows:

Page 1, line 2, strike "prison"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2452: A bill for an act relating to juries; providing that persons 70 years of age or younger may serve on juries; amending Minnesota Statutes 1974, Section 628.43.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2313: A bill for an act relating to commitment and discharge of inebriate persons; limiting length of commitment for inebriates; amending Minnesota Statutes 1974, Section 253A.07,

Subdivision 25; Minnesota Statutes, 1975 Supplement, Sections 253A.07, Subdivision 17; and 253A.15, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2430: A bill for an act relating to jurisdiction over federal lands; permitting acceptance by the state of retrocession of jurisdiction over federal lands by federal agencies; amending Minnesota Statutes 1974, Section 1.043.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1791: A bill for an act relating to real estate; providing for limitation of action for damages based on errors in the survey of land; amending Minnesota Statutes 1974, Section 541.051, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2248: A bill for an act relating to juveniles; providing limitations on procedures for juvenile detention; providing definitions; setting standards; amending Minnesota Statutes 1974, Sections 260.015, by adding subdivisions; 260.101; 260.171, Subdivisions 1, 2, and by adding subdivisions; 641.14; and Chapter 260, by adding sections; repealing Minnesota Statutes 1974, Sections 260.171, Subdivision 3; and 260.175.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike "or"

Page 1, line 17, strike "*placement after adjudication*"

Page 3, line 4, strike "*probable cause*" and insert "*reason*"

Page 3, line 4, after "*would*" insert "*physically*"

Page 3, line 10, strike "*Any such*" and insert "*That*"

Page 3, line 12, strike "as"

Page 3, line 16, after "*The*" insert "*intentional*"

Page 3, line 20, after "*any*" insert "*reasonable*"

Page 5, line 10, after "*and*" and before "*the*" insert "*by*"

Page 5, line 14, after "*basis*" and before ";" insert "*to be determined by the director of the facility*"

Page 5, line 16, after "*hours*" insert "*, excluding Sundays and holidays,*"

Page 5, line 23, after "*facility*" insert "*or secure a written transportation order from the court authorizing transportation by the sheriff or other qualified person*"

Page 6, line 24, after the comma, insert "*excluding Sundays and holidays,*"

Page 6, line 26, strike "*probable cause*" and insert "*reason*"

Page 7, line 4, after "*days*" insert "*, excluding Sundays and holidays,*"

Page 7, line 18, after "*days*" insert "*, excluding Sundays and holidays,*"

Page 7, line 27, strike "*placed*" and insert "*detained only*"

Page 7, lines 28 and 29, strike "*placed*" and insert "*detained*"

Page 7, line 29, strike "*subdivisions 2 or*" and insert "*subdivision*"

Page 8, line 3, strike "*act*" and insert "*offense*"

Page 8, line 8, strike "*clause*" and insert "*subdivision*"

Page 8, line 9, strike "*If such a*"

Page 8, strike lines 10 to 14

Page 8, after line 14, insert the following:

*"Subd. 3. If a child described under subdivision 2 has previously escaped from a shelter care facility, or is from another state and absent from his home for more than 24 hours without the permission of his parent, guardian or other custodian, he may be placed in a secure detention facility."*

Page 8, lines 23 and 24, strike "*placed*" and insert "*detained*"

Page 8, after line 32, insert the following:

*"Subd. 5. In order for a child to be detained at a state correctional institution for juveniles, the commissioner of corrections must first consent thereto, and the county must agree to pay the costs of the child's detention."*

Renumber the subdivisions in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2039: A bill for an act relating to insurance; reporting of certain professional liability judgments or settlements.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "\$3,000" and insert "\$500"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 1822: A bill for an act relating to governmental operations; creating an interstate commission to develop a plan to merge the port authorities at Duluth, Minnesota; and Superior, Wisconsin; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 3, after the dollar sign insert "1,500"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 2278: A bill for an act relating to appropriations; converting certain standing appropriations to direct appropriations; abolishing other standing appropriations; appropriating money; amending Minnesota Statutes 1974, Sections 9.061, Subdivision 5; 97.482, Subdivision 2; 638.08; and Laws 1971, Chapter 121, Section 2, as amended; repealing Minnesota Statutes 1974, Sections 7.07; 138.821; Minnesota Statutes, 1975 Supplement, Sections 123.937; 144.146, Subdivision 2; Laws 1973, Chapter 768, Section 23; and Laws 1975, Chapter 433, Section 20.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 31, strike "12,000,000" and insert "5,000,000"

Further amend the title as follows:

Page 1, line 9, strike "138.821" and insert "136.821"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 1704: A bill for an act relating to motor vehicles; defining terms; providing for the licensure and regulation of certain motor vehicle dealers; prescribing penalties; appropriating money; amending Minnesota Statutes 1974, Section 168.27.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, strike "*manufacturers,*"

Page 2, line 3, strike "*car*" and insert "*motor vehicle*"

Page 2, line 4, strike "*car*" and insert "*motor vehicle*"

Page 5, line 31, strike "*belonging to others*" and insert "*for more than one owner*"

Page 6, line 15, after "*require*" insert "*to administer this section*"

Page 7, line 9, after "*hours*" insert "*or automatic telephone answering service during normal working hours*"

Page 8, line 1, strike "*sufficient space and accommodations*"

Page 8, strike line 2

Page 8, line 3, strike "*sale at the auction; with*"

Page 8, line 14, after "*one*" insert "*permanent*"

Page 13, line 14, strike "*open to the public*" and insert "*conducted in accordance with the provisions of chapter 15, except that the provisions of section 15.052, subdivision 3, shall not apply*"

Page 13, line 18, strike "*11*" and insert "*12*"

Page 14, line 6, strike "*appeal therefrom to any*"

Page 14, strike lines 7 to 32

Page 15, strike lines 1 to 12

Page 15, line 13, strike everything before the period and insert "*seek judicial review pursuant to the provisions of chapter 15*"

Page 16, line 2, strike "*subdivision 1*" and insert "*subdivisions 2 or 3*"

Page 21, line 11, after the dollar sign insert "*114,014*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2366: A bill for an act relating to the university of Minnesota; conferring university of Minnesota peace officers with limited powers of arrest; amending Minnesota Statutes 1974, Section 137.12; 626.05, Subdivision 2; 626A.01, Subdivision 7; and Chapter 626, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, restore the stricken language

Page 1, line 22, restore the stricken language

Page 1, line 22, strike "*property*"

Page 2, after line 25, insert:

"Sec. 5. Minnesota Statutes 1974, Section 169.965, Subdivision 1, is amended to read:

169.965 [REGENTS OF UNIVERSITY OF MINNESOTA TO REGULATE TRAFFIC.] Subdivision 1. The regents of the University of Minnesota may, from time to time, make, adopt and enforce such rules, regulations or ordinances as it may find expedient or necessary relating to the regulation of traffic *and parking pursuant to the highway traffic regulation act, chapter 160, as amended,* upon *parking facilities*, highways, streets, private roads and roadways situated on property owned, leased or occupied by the regents of the University of Minnesota or the University of Minnesota."

Amend the title as follows:

Page 1, line 5, strike "Section" and insert "Sections"

Page 1, line 5, after "137.12;" insert "169.965, Subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

S. F. No. 525: A bill for an act relating to the legislature; establishing the Minnesota job and business climate interim study commission; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [MINNESOTA JOB AND BUSINESS CLIMATE ADVISORY TASK FORCE.] Subdivision 1. The advisory task force on the Minnesota job and business climate is hereby created.

Subd. 2. The task force shall consist of three members of the house of representatives appointed by the speaker, three members of the senate appointed by the senate committee on committees, the commissioner of economic development, who shall serve as chairman, and eight interested persons, appointed by the governor. The eight citizen members appointed by the governor shall include a representative of an industrial or business enterprise having less than 100 employees; a representative of an industrial or business enterprise having 100 to 1,000 employees; a representative of an industrial or business enterprise having over 1,000 employees; a representative of agricultural business enterprise; two representatives from employee collective bargaining organizations or unions; one farmer; and one other person. The governor in his appointments shall give representation to a variety of types of business organizations and to the geographical regions of the state.

Subd. 3. The task force shall study all matters relating to Minnesota's job and business climate, including but not limited to matters of taxation, pollution control, environmental regulation, energy consumption and supply, transportation, incentives for development of new industry and jobs, labor relations, and the activities of the Iron Range Resources Board and the department of economic development.

Subd. 4. The task force shall report its findings and recommendations to the legislature not later than January 15, 1977.

Subd. 5. The compensation, filling of vacancies and removal of task force members appointed by the governor shall be as provided in section 15.059.

Subd. 6. The legislative coordinating commission shall provide the task force with necessary staff, office space and administrative services.

Sec. 2. [APPROPRIATION.] There is appropriated from the general fund to the legislative coordinating commission the sum of \$37,500, or as much thereof as may be necessary, to pay the expenses incurred by the task force.

Sec. 3. [EFFECTIVE DATE.] This act is effective the day after final enactment and shall expire June 30, 1977."

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to economic development; creating the advisory task force on the Minnesota job and business climate; requiring a report; appropriating money."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

S. F. No. 1959: A bill for an act relating to nursing homes; establishing an office of nursing home complaints; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 18 and 22, strike "nursing home" and insert "health facility"

Page 2, lines 1 and 3, strike "Nursing home" and insert "Health facility"

Page 2, line 2, after "provides" insert "hospital or"

Page 2, line 4, strike "a hospital, clinic, doctor's"

Page 2, strike lines 5 to 7 and insert "not subject to licensure as a hospital or nursing home pursuant to chapter 144 or sections 1 to 7 of this act."

Page 2, lines 8 to 9, 10, and 12, strike "nursing home" and insert "health facility"

Page 2, lines 8 and 9, after "resident" insert "or patient"

Page 2, line 11, strike "NURSING HOME" and insert "HEALTH FACILITY"

Page 2, strike lines 13 to 20, and insert "hereby created in the department of health. The office shall be headed by a director appointed by the governor with advice and consent of the senate. He shall serve for a term coterminous with the governor and until his successor is appointed and qualifies. The director may be removed by the governor for cause after notice and hearing. The commissioner of health shall provide the office with office space, administrative services and secretarial and clerical assistance."

Page 2, lines 21 to 22, strike "and fix the compensation of"

Page 2, strike lines 28 to 30 and insert "department of health"

Page 3, lines 2, 7, 29 and 31, strike "nursing homes" and insert "health facilities"

Page 3, line 3, strike "legislative audit commission" and insert "governor"

Page 3, line 5, after "in" insert "areas such as"

Page 3, line 11, strike "Prescribe" and insert "Promulgate by rule"

Page 3, line 12, after "complaints" insert "against health facilities or administrative agencies"

Page 3, lines 21 to 22, 25, and 28, strike "nursing home" and insert "health facility"

Page 3, line 28, after the semicolon, insert "provided that the director shall not unduly interfere with or disturb the activities of a resident unless the resident consents;

(f) Recommend that the department of health issue a correction order pursuant to section 144.653 or any law which supersedes that section;"

Reletter the remaining clauses

Page 4, line 1, strike "nursing homes" and insert "health facilities"

Page 4, lines 2, 5 to 6, 13, 18, 29 and 32, strike "nursing home" and insert "health facility"

Page 4, line 30, after the period insert:

"Subd. 4. [REFERRAL OF COMPLAINTS.] If a complaint received by the director relates to a matter more properly within the jurisdiction of an occupational licensing board, the office of consumer services or any other governmental agency, the director shall forward the complaint to that agency and shall inform the complaining party of the forwarding. The agency shall promptly act in respect to the complaint, and shall inform the complaining party and the director of its disposition. If a governmental agency receives a complaint which is more properly within the jurisdiction of the director, it shall promptly for-

ward the complaint to the director, and shall inform the complaining party of the forwarding.”

Page 5, line 2, strike “legislative”

Page 5, strike lines 3 to 4, and insert “department of health, department of public welfare, an appropriate prosecuting authority, or other appropriate agency.”

Page 5, line 10, strike “legislative audit” and insert “commissioner of health and the governor”

Page 5, line 11, strike “commission”

Page 5, lines 13, 14, 16 and 18, strike “nursing home” and insert “health facility”

Page 5, line 21 and 22 to 23, strike “legislative audit commission” and insert “commissioner of health and the governor”

Page 5, strike line 32

Page 6, strike lines 1 to 3, and insert “department of health be superseded by the office of health facility complaints and that funds currently allocated to the complaint team by the department of health be transferred to the director of health facility complaints.”

Page 6, lines 4 to 5 and 9 to 10, strike “legislative audit commission” and insert “director of health facility complaints”

Page 6, line 7, after the period insert “The committee shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.”

Page 6, after line 10, insert

“Sec. 8. [EFFECTIVE DATE.] Section 2, Subdivision 1, is effective the day after final enactment. The remainder of this act is effective upon appointment of the director of health facility complaints.”

Amend the title as follows:

Page 1, line 2, strike “nursing homes” and insert “health facilities”

Page 1, line 3, strike “nursing home” and insert “health facility”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1877: A bill for an act relating to the operation of state government; reorganizing or abolishing various state agencies; transferring powers or duties from the Indian affairs commission, the capitol area architectural and planning commission, the live-stock sanitary board, the cable communications commission, the iron range resources and rehabilitation commission, the levy limitations review board and the crime victims reparation board to other agencies; amending Minnesota Statutes 1974, Section 15.50; 35.02;

216A.05, by adding a subdivision; 238.02, Subdivision 4; 271.01, by adding a subdivision; 271.06, Subdivision 1; 271.09, Subdivision 1; 298.22, Subdivision 1, and by adding subdivisions; 299B.06, Subdivision 1; 299B.07, Subdivision 5; 299B.08, Subdivision 1; Chapters 17, 275 and 363, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 275.50, Subdivision 5; 275.52, Subdivision 4; Laws 1975, Chapter 344, Section 3, Subdivision 1; repealing Minnesota Statutes 1974, Sections 3.922, as amended; 238.04, as amended; 246.017, Subdivision 2; 275.551; 275.552; 298.22, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 32 strike "*commissioner of administration*" and insert "*capitol area architectural and planning board*"

Page 2, line 18, strike "Three" and insert "Four"

Page 2, line 20, strike "three" and insert "two"

Page 2, line 21, reinsert the stricken language

Page 2, line 22, reinsert the stricken "council."

Page 2, line 28, strike the period

Page 3, line 29, strike "*extended*" and insert "*to the centerline of Sherburne Avenue, thence west along the centerline of Sherburne Avenue to the centerline of Marion Street, thence southerly along the centerline of Marion Street*"

Page 8, line 25, reinsert the stricken "The commission is the successor of the state"

Page 8, lines 26 to 29, reinstate the stricken language

Page 9, line 15, strike "*commissioner*" and insert "*director of the state planning agency*"

Page 11, line 2, strike "*commissioner of administration*" and insert "*director of the state planning agency*"

Pages 11 to 13, strike sections 2 to 3

Page 23, lines 16 to 20, strike the new language

Page 23, lines 24 to 29, reinsert the stricken language

Page 23, line 30, reinsert the stricken "may remove the commissioner at any time"

Page 23, line 31, after the stricken "hearing" insert "*at his pleasure*"

Page 23, line 31, reinsert the stricken ". In case of a vacancy, the governor may"

Page 23, line 32, reinsert the stricken language

Page 24, lines 1 to 12, reinsert the stricken language

Page 24, line 23, strike "*economic development*" and insert "*iron range resources and rehabilitation*"

Page 24, line 25, strike "(c) the" and insert "The"

Page 24, lines 28 to 31, strike the new language

Page 24, line 32, after "commissioner" insert "of iron range resources and rehabilitation"

Page 25, line 17, strike "research activities" and insert "loans or grants for private business entities"

Page 25, line 18, after the period, insert "The commissioner of iron range resources and rehabilitation shall operate and maintain at least one office within the area defined in subdivision 1b."

Page 25, after line 25, insert:

"Sec. . Minnesota Statutes 1974, Section 298.22, Subdivision 2, is amended to read:

Subd. 2. There is hereby created the iron range resources and rehabilitation ~~commission board~~, consisting of seven members appointed by the governor from the counties named in subdivision 1b with the advice and consent of the senate, ~~three of whom shall be state senators appointed by the committee on committees of the senate, and three of whom shall be representatives, appointed by the speaker of the house of representatives, their terms of office to commence on May 1, 1943, and continue until January 3rd, 1945, or until their successors are appointed and qualified. Their successors shall be appointed each two years in the same manner as the original members were appointed, in January of every second year, commencing in January, 1945. The seventh member of said commission shall be the commissioner of natural resources of the state of Minnesota. Vacancies on the commission shall be filled in the same manner as the original members were chosen.~~

Two members shall be appointed to terms ending the first Monday in January, 1979; two members to terms ending the first Monday in January, 1980; two members to terms ending the first Monday in January, 1981; and one member to a term ending the first Monday in January, 1978. Thereafter all members shall be appointed to four-year terms. The terms of office, compensation, removal, and filling of vacancies shall be as provided for other administrative boards in chapter 15. All expenditures and projects made by the commissioner of iron range resources and rehabilitation shall first be submitted to said ~~the~~ iron range resources and rehabilitation ~~commission board~~ which shall ~~recommend approval or disapproval or modification of approve, disapprove or modify~~ expenditures and projects for rehabilitation purposes as provided by this section, and the method, manner, and time of payment of all said funds proposed to be disbursed shall be first approved or disapproved by said ~~commission~~ ~~the board~~. The ~~commission board~~ shall biennially make its report to the governor and the legislature on or before November 15 of each even numbered year. The expenses of said commission shall be paid by the state of Minnesota from the funds raised pursuant to this section.

Pages 25 to 26, strike section 14

Page 27, line 5, after "*approve*" insert "*or modify*"

Page 27, line 6, after "*members*" insert "*prior to any payments made pursuant to this chapter*"

Page 27, line 16, after "*approving*" insert "*or modifying*"

Pages 27 to 31, strike sections 18 and 19

Page 32, strike line 14

Page 32, line 16, strike "*246.017, Subdivision 2;*"

Page 32, line 16, strike everything after "*275.551*" and insert "*and 275.552*"

Page 32, line 17, strike "*Subdivision 2*"

Page 32, after line 17, insert:

*"Sec. . [EFFECTIVE DATE.] Section 1, Subdivision 6 of this act shall be effective July 1, 1978. The remainder of this act shall be effective July 1, 1976. Until such time as the state agencies whose names have been changed by this act are able to economically make all changes in designation required by this act, they may continue to use their present designations but the use of those designations shall not extend beyond the first Monday in January, 1978."*

Renumber the remaining sections

Amend the title as follows:

Page 1, lines 4 to 5, strike "*the Indian affairs commission,*"

Page 1, line 6, strike "*the livestock sanitary*"

Page 1, line 7, strike "*board,*"

Page 1, line 12, strike "*35.02;*"

Page 1, line 15, strike the second "*Subdivision 1*" and insert "*Subdivisions 1 and 2*"

Page 1, line 16, strike "*subdivisions*" and insert "*a subdivision*"

Page 1, line 18, strike "*Chapters 17,*" and insert "*Chapter*"

Page 1, line 18, strike "*and 363*"

Page 1, line 18, strike "*sections*" and insert "*a section*"

Page 1, line 20, strike "*Laws*"

Page 1, strike line 21

Page 1, lines 22 to 23, strike "*3.922, as amended;*"

Page 1, lines 23 to 24, strike "*246.017, Subdivision 2;*"

Page 1, lines 24 to 25, strike "*;275.552; 298.22, Subdivision 2*" and insert "*and 275.552*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2454: A bill for an act relating to public safety; appropriating money for the manufacture of license plates.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike "for the year ending June 30, 1977,"

Page 1, line 10, after "31" insert ", and shall be available until June 30, 1977"

Page 1, after line 10, insert a new section to read:

"Sec. 2. Minnesota Statutes 1974, Section 168.12 is amended by adding a subdivision to read:

*Subd. 5. [ADDITIONAL FEE.] In addition to any fee otherwise authorized or any tax otherwise imposed upon any motor vehicle, the payment of which is required as a condition to the issuance of any number license plate or plates, the commissioner of public safety may impose a fee of up to 50 cents upon the issuance of any graphic design license plate or plates, provided that these plates shall only be issued for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g."*

Renumber remaining section.

Underline all new language in the bill

Further, amend the title as follows:

Page 1, line 3, after "plates" insert "; providing a fee for graphic design license plates; amending Minnesota Statutes 1974, Section 168.12, by adding a subdivision"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2276: A bill for an act relating to the designer selection board; defining terms; prescribing the powers and duties of the board; amending Minnesota Statutes 1974, Sections 16.822, Subdivision 5, and by adding a subdivision; 16.823, Subdivision 4; and 16.826, Subdivisions 2 and 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "or" and insert a comma

Page 1, line 14, strike "of both architects and engineers" and insert "*landscape architects or a combination thereof*"

Page 1, lines 17 and 18, strike "*landscape architect*" and insert "*person*"

Page 1, line 18, before "*registered*" insert "*licensed or*"

Page 1, line 18, after "*practice*" strike "*under*" and insert "*landscape architecture as defined in*"

Page 1, line 18, strike "*sections*" and insert "*section*"

Page 1, line 18, after "*326.02*" insert "*, Subdivision 4a*"

Page 1, lines 18 and 19, strike "*to 326.16*"

Pages 2 to 3, strike section 5

Page 3, after line 6, add a new section to read:

"Sec. 5. *This act is effective the day after enactment.*"

Amend the title as follows:

Line 7, strike "*Subdivisions 2 and 5*" and insert "*Subdivision 2*"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1827: A bill for an act relating to the city of Mound; firemen's service pensions; amending Laws 1973, Chapter 175, Section 1, as amended.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 1323: A bill for an act relating to health; setting standards for contract emergency ambulance services; amending Minnesota Statutes 1974, Section 144.804, Subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 1959: A bill for an act authorizing the commissioner of administration to convey a portion of a water system at the Red Wing state training school to the city of Red Wing.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was re-referred

H. F. No. 1333: A bill for an act relating to coroners; providing for fees and traveling expenses; prohibiting interference with a dead body or the scene of death; prescribing penalties; amending Minnesota Statutes 1974, Sections 357.11; and 390.11, Subdivision 8.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 2038: A bill for an act relating to medical assistance for the needy; directing the commissioner of public welfare to identify and investigate certain medical assistance abuses; requiring certain reports; amending Minnesota Statutes 1974, Section 256B.04, Subdivision 5, and by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "agency" insert a comma

Page 1, line 23, strike "and" and insert "*by rule general criteria and procedures for the identification and prompt investigation of suspected*"

Page 1, strike line 24

Page 2, line 1, strike "*which a question of*"

Page 2, line 3, after "care" insert a period

Page 2, strike line 4

Page 2, line 5, strike "*investigation shall be commenced within 30 days.*"

Page 2, line 6, strike "commissioner" and insert "state agency"

Page 2, line 8, strike "he" and insert "it"

Page 2, line 8, after "shall" insert "so"

Page 2, line 8, after "general" and before the period insert "*in writing*"

Page 2, line 12, strike "*monthly*" and insert "*quarterly*"

Page 2, line 12, strike "*any situation in which a*" and insert "*on its activities under section 2 of this act and include in each report copies of any notices sent during that quarter to the attorney general to the effect*"

Page 2, strike lines 13 to 16

Page 2, line 17, strike "*which it appears to the commissioner*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 1847: A bill for an act relating to dentistry; providing for registration of dental assistants; changing the membership of the board of dentistry; providing for continuing education; amending Minnesota Statutes 1974, Sections 150A.01, by adding subdivision, 150A.06, Subdivision 6, and by adding subdivisions; 150A.08; 150A.09, Subdivisions 1 and 2; and 150A.10, Subdivision 2; and amending Minnesota Statutes, 1975 Supplement, Section 150A.02, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, strike "Laws 1973, Chapter" and insert "*Section 214.02*"

Page 1, line 24, strike "638"

Page 2, line 28, strike "*state*"

Page 3, line 11, strike "*A person of*" and insert "*Application for registration as a registered dental assistant shall be made in writing to the board upon a form furnished by the board, accompanied by satisfactory evidence that the applicant is of good moral character and is a graduate of a training program approved by the board by rule. The application shall be accompanied by a fee set by the board by rule. Upon filing the application, the board, if satisfied, shall examine the applicant on his skills, and his knowledge of the laws of Minnesota relating to dentistry and the rules of the board.*"

Page 3, strike lines 12 to 18

Page 3, line 24, strike "*done*" and insert "*given*"

Page 3, line 25, after "*members*" and before "*it*" insert a comma

Page 3, line 25, strike "*conducted*" and insert "*administered*"

Page 3, line 26, strike "*part of the*"

Page 3, line 27, strike "*conducted*" and insert "*given*"

Page 8, line 31, strike "*permit*" and insert "*define by rule the scope of practice of registered and non-registered dental assistants.*"

Page 8, strike line 32

Page 9, strike line 1

Page 9, line 2, strike "*assistant.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1686: A bill for an act relating to energy; establishing a state program of low interest loans to provide installation of

solar furnaces in single family dwellings; appropriating money; amending Minnesota Statutes 1974, Section 462A.05, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

*“Section 1. [FINDINGS.] The legislature hereby finds and declares that conservation of energy supplies and utilization of alternative energy sources are necessary to prevent serious shortages of oil and natural gas, which shortages if allowed to further develop or continue will result in severe economic and social disorder in this nation thereby adversely affecting the health, safety and economic well-being of the people of this state. Public policies designed to encourage utilization of alternative sources must be developed to encourage and assist the private sector to make necessary adjustments and changes in energy use practices. In furtherance of necessary energy conservation activities the legislature hereby determines that public funds may validly and properly be expended to establish a public program of loans to residents of this state to enable the acquisition and installation of solar energy systems for new and existing residential housing.*

Sec. 2. Minnesota Statutes 1974, Section 462A.05, is amended by adding a subdivision to read:

*Subd. 17. (a) The agency shall make loans available to owners or builders of residential housing only to the extent of available appropriations for the purpose of installing solar energy systems for the housing. A loan shall be made upon such terms and conditions as the agency determines to be necessary to accomplish the purposes of this act and to provide reasonable security for repayment of the loan.*

*(b) For purposes of this subdivision the term “solar energy system” means a set of devices having as its primary purpose to collect solar energy and convert and store it for useful purposes including heating and cooling buildings or other energy-using processes, or to produce generated power by means of any combination of collecting, transferring, or converting solar-generated energy.*

*(c) The principal repayments of a loan under this subdivision shall be retained by the agency in a revolving loan fund and are hereby appropriated to the agency for further use in the program established by this subdivision.*

*(d) No loan shall be authorized until the agency determines that the solar energy system meets quality performance standards promulgated by the commissioner of administration. The building code division of the department of administration in consultation with the energy agency shall promulgate by December 31, 1976, pursuant to Minnesota Statutes, Chapter 15, equality and performance standards to insure that within the existing state of development, solar energy systems as defined in section 2, subd. 17(b) which are sold or installed within the state are*

*effective and represent a high standard of quality of material, workmanship, design, and performance. The department of administration in consultation with the energy agency shall modify existing standards and promulgate new standards subsequent to December 31, 1976 as new technology and materials become available.*

*Manufacturers or retailers of solar energy systems shall disclose to each bona fide potential purchaser of a system the extent to which the system meets or exceeds each quality standard.*

*(e) No loan shall be authorized unless the loan applicant agrees to conform the housing structure to energy conservation standards relating to the exterior envelope of the structure as promulgated by the commissioner of administration pursuant to section 116H.12.*

*(f) No loan shall be authorized until the applicant has submitted an economic analysis form to the local building inspector, as defined in section 16.861, and the inspector has (1) inspected the structure and the plans and specifications for the system, (2) approved the economic analysis form, and (3) delivered the form to the agency with a copy to the applicant. The form shall be prepared by the director of the agency after consultation with the commissioner of administration and the director of the energy agency. The form shall reflect the standards provided for in clauses (d) and (e). The inspector shall approve the form if he determines the data thereon to be accurate, and if he determines, pursuant to standards promulgated by rule by the director of the agency after consultation with the commissioner of administration and the director of the energy agency, that the installation of the system and any necessary energy conservation measures are economically feasible and will result in energy and cost savings over the anticipated life of the system and structure.*

*(g) No loan shall be authorized in excess of \$6,000 for the acquisition and installation of the system, and \$2,000 for necessary conservation measures to meet the standards of clause (e) in the structure for which the system is to be installed.*

*(h) The agency with the cooperation of the commissioner of economic development shall publicize the program established by this subdivision and may cooperate with other agencies or departments of state, federal or local government to further its purposes.*

*Sec. 3. There is appropriated from the general fund in the state treasury to the Minnesota housing finance agency the sum of \$ . . . . . for the purposes of making loans and paying administrative costs pursuant to the program established by this act."*

Amend the title by striking it in its entirety and inserting:

*"A bill for an act relating to housing; enabling the housing finance agency to make loans available for the acquisition and installation of solar energy systems and for improving energy conservation in the structure; appropriating money; amending Minnesota Statutes 1974, Section 462A.05, by adding a subdivision."*

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2239 and 2600 for proper reference, recommends the above House Files be re-referred to their respective Committees as follows:

H. F. No. 2239 to the Committee on Judiciary.

H. F. No. 2600 to the Committee on Transportation and General Legislation.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 2164, 1785, 2097, 2459, 2398, 2455, 2082, 2132, 2277, 485, 2465, 1644, 1857, 2241, 2338, 2364, 2250, 2127, 1922, 2452, 2313, 2430, 1791, 2248, 2039, 1822, 2278, 1704, 2366, 1877, 2276 and 1827 were read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1026, 354, 290, 1226, 2326, 1323, 1959, 1333, 2038 and 1847 were read the second time.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 8:15 o'clock a.m., Saturday, March 13, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTY-NINTH DAY

St. Paul, Minnesota, Saturday, March 13, 1976

The Senate met at 8:15 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Bernhagen	Gearty	Larson	Olhoft	Spear
Borden	Hansen, Baldy	Laufenburger	Olson, A. G.	Stokowski
Brataas	Josefson	Lewis	Perpich, A. J.	Stumpf
Chmielewski	Keefe, S.	Milton	Perpich, G.	Tennessee
Coleman	Kleinbaum	Moe	Renneke	Ueland
Conzemius	Knutson	Nelson	Schmitz	Wegener
Davies	Kowalczyk	Ogdahl	Schrom	Willet

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. William D. Young.

The roll being called, the following Senators answered to their names:

Ashbach	Gearty	Kowalczyk	Olhoft	Solon
Bernhagen	Hansen, Baldy	Larson	Olson, A. G.	Spear
Borden	Hansen, Mel	Laufenburger	Olson, H. D.	Stassen
Brataas	Humphrey	Lewis	Perpich, A. J.	Stokowski
Brown	Josefson	McCutcheon	Perpich, G.	Stumpf
Chenoweth	Keefe, J.	Milton	Purfeerst	Tennessee
Chmielewski	Keefe, S.	Moe	Renneke	Ueland
Coleman	Kirchner	Nelson	Schaaf	Wegener
Conzemius	Kleinbaum	North	Schmitz	Willet
Davies	Knutson	Ogdahl	Schrom	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Messrs. Anderson; Arnold; Bang; Berg; Doty; Dunn; Fitzsimons; Frederick; Hanson, R.; Hughes; Jensen; Olson, J. L.; O'Neill; Patton; Pillsbury and Sillers were excused from the Session of today. Mr. Kirchner was excused from the Session of today at 10:30 o'clock a.m. Mr. Milton was excused from the Session of today at 11:30 o'clock a.m. Messrs. Chmielewski, Gearty and Larson were excused from the Session of today at 12:00 o'clock noon. Messrs. Blatz and Merriam were excused from the early part of today's Session.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Messrs. O'Neill and Coleman introduced—

S. F. No. 2553: A bill for an act relating to workers' compensation; providing for the registration of any pre-existing mental or physical condition with the special fund; amending Minnesota Statutes 1974, Section 176.131, Subdivisions 1, 2, 3, 4, 8 and 9.

Referred to the Committee on Labor and Commerce.

Messrs. O'Neill, Frederick and Bang introduced—

S. F. No. 2554: A bill for an act relating to taxation; altering income calculation and qualifications for being claimant for income-adjusted homestead credit; amending Minnesota Statutes, 1975 Supplement, Sections 290A.03, Subdivisions 3, 7, 8, 12, and 13, and 290A.05; repealing Minnesota Statutes, 1975 Supplement, Section 290A.08.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Willet, Purfeerst and Wegener introduced—

S. F. No. 2555: A bill for an act relating to education; state universities; handicapped students; waiving tuition for legally blind students; amending Minnesota Statutes 1974, Section 136.11, Subdivision 1.

Referred to the Committee on Education.

Messrs. Frederick, Sillers and Bang introduced—

S. F. No. 2556: A bill for an act relating to taxation; providing for the income tax treatment of certain pension contributions; amending Minnesota Statutes 1974, Section 290.09, by adding subdivisions; and Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Bernhagen, Anderson and Kirchner introduced—

S. F. No. 2557: A bill for an act relating to economic development; providing assistance to certain employers of the handicapped or senior citizens; providing an appropriation.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Moe and Perpich, G. introduced—

S. F. No. 2558: A bill for an act relating to solid waste control; providing for removal and disposal of certain dilapidated buildings

under the county solid waste management act; directing the pollution control agency to expend certain funds previously appropriated to it; amending Minnesota Statutes 1974, Section 400.03, by adding subdivisions.

Referred to the Committee on Natural Resources and Agriculture.

### REPORTS OF COMMITTEES

Mr. Davies moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2188 and 2217 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

### CALENDAR OF

GENERAL ORDERS		ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2188	2322				
2217	2138				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2188 be amended as follows:

Page 2, lines 1 to 11, delete the underscored language

Page 2, line 12, delete "*Effective August 1, 1976,*"

Page 2, line 13, delete "*for cause discontinue*" and insert "*at his pleasure*"

Page 2, line 17, delete "*, or it*" and insert "*and*"

Page 2, line 20, delete "*Any person appointed as a*"

Page 2, delete lines 21 and 22

Page 2, lines 23 and 24, restore the stricken language and delete the underscored language

Page 2, lines 26 and 27, delete "*, and for cause discontinue,*"

Page 2, lines 29 to 32, delete the underscored language

Page 3, delete lines 1 and 2 and insert "*The*"

Page 4, delete lines 9 to 15

Page 4, lines 19 to 25, restore the stricken language and delete the underscored language

Page 5, delete line 2, and insert "*registrar may appoint, and at his pleasure*"

Further, amend the title as follows:

Page 1, line 6, after "*registrar;*" insert "*removing bond as qualification for certain deputy registrars and their employees;*"

Page 1, lines 7 and 8, delete "Sections 168.33, Subdivision 7; and" and insert "Section"

And when so amended, H. F. No. 2188 will be identical to S. F. No. 2322 and further recommends that H. F. No. 2188 be given its second reading and substituted for S. F. No. 2322 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2217 be amended as follows:

Page 2, line 4, strike "reputable"

Page 2, line 5, after "board" insert a comma

Page 2, line 26, strike "such" and insert "the"

Page 3, line 1, strike "such persons" and insert "they"

Page 3, line 2, strike "details respecting the applicant's"

Page 3, line 3, strike "habits and general reputation,"

Page 3, line 3, strike "such" and insert "any"

Page 3, line 4, strike "moral" and insert "qualifications"

Page 3, line 5, strike "character"

Page 3, line 10, strike "such" and insert "the"

Page 3, line 26, strike "reputable"

Page 4, line 5, strike "such" and insert "the"

Page 4, line 7, strike "such" and insert "the"

Page 4, line 8, strike "such" and insert "the"

Page 4, line 9, strike "such"

Page 4, line 10, strike "\$10" and insert "\$25"

Page 4, line 11, strike "Such"

Page 4, line 14, strike "such" and insert "the"

Page 4, line 17, strike "such"

Page 4, line 17, strike "so"

Page 4, line 21, strike "such"

Page 4, line 23, strike "then and in that event"

Page 4, line 29, strike "such" and insert "to"

Page 5, line 16, strike "such" and insert "any"

Page 5, line 25, strike "such" and insert "any"

Page 6, line 8, strike "reputable"

Page 6, line 9, after "after" insert "publication of"

Page 6, line 11, strike "given" and insert "issued"

“Sec. 10. Minnesota Statutes 1974, Section 156.10, is amended to read:

Page 6, after line 14, insert:

**156.10 [PRACTICE OF VETERINARY MEDICINE WITHOUT LICENSE UNLAWFUL.]** It shall be unlawful for any person to practice veterinary medicine, or any branch thereof, in the state without having first secured a license or a temporary permit, as provided in this chapter, and any person violating the provisions of this section shall be guilty of a gross misdemeanor and punished therefor according to the laws of the state.”

Renumber the sections in sequence

Page 6, strike lines 29 to 31 and insert “*mean the diagnosis, treatment, correction, relief, or prevention of*”

Page 7, line 1, strike “or render” and insert “; the performance of obstetrical procedures for animals, including determination of pregnancy and correction of sterility or infertility; and the rendering of”

Page 7, line 2, strike “; including” and insert “. The practice of veterinary medicine shall include”

Page 7, line 2, after “not” insert “be”

Page 7, line 5, strike “Such” and insert “The”

Page 7, strike lines 9 to 11

Renumber the subdivisions in sequence

Page 7, line 12, strike “A” and insert “No”

Page 7, line 13, strike “not”

Page 8, line 5, strike “such” and insert “the”

Page 8, line 9, strike the comma and insert a semicolon

Page 8, line 11, after “examination” strike the comma and insert a semicolon

Page 8, line 29, strike the period and insert a semicolon

Page 9, line 1, strike “such” and insert “the”

Page 9, line 1, after “veterinarian” insert a comma

Page 9, line 24, strike “such” and insert “adequate”

Amend the title as follows:

Page 1, line 6, after “standards;” insert “providing a penalty;”

Page 1, line 10, after the semicolon insert “156.10;”

And when so amended, H. F. No. 2217 will be identical to S. F. No. 2138 and further recommends that H. F. No. 2217 be given its second reading and substituted for S. F. No. 2138 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 2188 and 2217 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Conzemius moved that S. F. No. 2505 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Labor and Commerce. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar. The motion prevailed.

### THIRD READING OF SENATE BILLS

S. F. No. 1956: A bill for an act relating to nursing homes; providing for the licensing and inspection of nursing homes; providing for the licensing of nursing home administrators; re-organizing various laws relating to nursing homes and nursing home administrators; clarifying language and making necessary revisions; prescribing civil and criminal penalties; amending Minnesota Statutes 1974, Sections 144.053, Subdivision 3; 144.49, Subdivisions 6 and 7; 144.50; 144.51; 144.55; 144.572; 144.63, Subdivision 2; 144.652; 144.653, Subdivision 1; 144.654; 144.655; 144.656; 144.657; 144.68, Subdivisions 2 and 3; 145.61, Subdivision 4; 145.75; 145.862, Subdivision 4; 245.691, Subdivision 3; 256B.02, Subdivision 2; 256B.30; 256D.18, Subdivision 2; 299F.-39, Subdivision 1; 609.231; 626.555, Subdivisions 1, 2 and 7; and Minnesota Statutes, 1975 Supplement, Sections 144.53; 144.571; 145.72, Subdivision 2; 145.74; and 214.01, Subdivision 2; repealing Minnesota Statutes 1974, Sections 144.584; 144.951; 144.953; 144.954; 144.955; 144.9555; 144.956; 144.957; 144.958; 144.959; 144.96; 144.961; 144.962; 144.963; 144.964; and 144.965; and Minnesota Statutes, 1975 Supplement, Section 144.952.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 30 and nays 10, as follows:

Those who voted in the affirmative were:

Borden	Gearty	Laufenburger	Olson, A. G.	Stokowski
Brataas	Humphrey	Lewis	Perpich, A. J.	Stumpf
Brown	Keefe, J.	Moe	Perpich, G.	Tennessen
Coleman	Keefe, S.	North	Schaaf	Ueland
Conzemius	Kirchner	Ogdahl	Schmitz	Wegener
Davies	Kowalczyk	Olhoff	Spear	Willet

Those who voted in the negative were:

Bernhagen	Hansen, Baldy	Kleinbaum	Milton	Renneke
Chmielewski	Josefson	Larson	Purfeerst	Schrom

So the bill failed to pass.

### RECONSIDERATION

Mr. Milton moved that the vote whereby S. F. No. 1956 failed to pass the Senate on March 13, 1976, be now reconsidered. The motion prevailed.

S. F. No. 1956 was then progressed.

### THIRD READING OF SENATE BILLS—CONTINUED

S. F. No. 1097: A bill for an act relating to health; providing for pilot programs for dental care for senior citizens; establishing means of administration; subsidizing premiums to cover cost of services; appropriating money.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Baldy	Kowalczyk	Olhoft	Spear
Borden	Hansen, Mel	Larson	Olson, A. G.	Stassen
Brataas	Humphrey	Laufenburger	Perpich, A. J.	Stokowski
Brown	Josefson	Lewis	Perpich, G.	Stumpf
Chmielewski	Keefe, J.	Milton	Purfeerst	Tennessee
Coleman	Keefe, S.	Moe	Renneke	Ueland
Conzemius	Kirchner	Nelson	Schaaf	Wegener
Davies	Kleinbaum	North	Schmitz	Willet
Gearty	Knutson	Ogdahl	Schrom	

So the bill passed and its title was agreed to.

S. F. No. 2175: A bill for an act relating to medical assistance for the needy; allowing the cost of certain home care services provided by public health nurses to be paid by medical assistance; authorizing an experimental program for the cost of home care of the physically disabled or elderly; amending Minnesota Statutes 1974, Chapter 256B, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 256B.02, Subdivision 7.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Baldy	Kowalczyk	Olhoff	Spear
Borden	Hansen, Mel	Larson	Olson, A. G.	Stassen
Brataas	Humphrey	Laufenburger	Perpich, A. J.	Stokowski
Brown	Josefson	Lewis	Perpich, G.	Stumpf
Chmielewski	Keefe, J.	Milton	Purfeerst	Tennessee
Coleman	Keefe, S.	Moe	Renneke	Ueland
Conzemius	Kirchner	Nelson	Schaaf	Wegener
Davies	Kleinbaum	North	Schmitz	Willet
Gearty	Knutson	Ogdahl	Schrom	

So the bill passed and its title was agreed to.

S. F. No. 2078: A bill for an act relating to metropolitan revenue distribution; changing the method of computing the taxable valuation of certain governmental units; amending Minnesota Statutes 1974, Section 473F.08, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Baldy	Kowalczyk	Olhoff	Spear
Borden	Hansen, Mel	Larson	Olson, A. G.	Stassen
Brataas	Humphrey	Laufenburger	Perpich, A. J.	Stokowski
Brown	Josefson	Lewis	Perpich, G.	Stumpf
Chmielewski	Keefe, J.	Milton	Purfeerst	Tennessee
Coleman	Keefe, S.	Moe	Renneke	Ueland
Conzemius	Kirchner	Nelson	Schaaf	Wegener
Davies	Kleinbaum	North	Schmitz	Willet
Gearty	Knutson	Ogdahl	Schrom	

So the bill passed and its title was agreed to.

S. F. No. 1957: A bill for an act relating to medical assistance for the needy; prohibiting false claims for reimbursement; making certain vendors ineligible for reimbursement; providing access to certain medical records for verification of claims; providing for a penalty; amending Minnesota Statutes 1974, Sections 256B.064; 256B.27; Chapters 256B and 609, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 256B.12 and 609.52, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Baldy	Kowalczyk	Ogdahl	Schrom
Borden	Hansen, Mel	Larson	Olhoff	Spear
Brataas	Humphrey	Laufenburger	Olson, A. G.	Stassen
Brown	Josefson	Lewis	Perpich, A. J.,	Stokowski
Chmielewski	Keefe, J.	McCutcheon	Perpich, G.	Stumpf
Coleman	Keefe, S.	Milton	Purfeerst	Tennessee
Conzemius	Kirchner	Moe	Renneke	Ueland
Davies	Kleinbaum	Nelson	Schaaf	Wegener
Gearty	Knutson	North	Schmitz	Willet

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 109: A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall serve at the pleasure of the governor; eliminating obsolete language; amending Minnesota Statutes, 1974, Sections 16.01; 16A.01, Subdivision 2; 17.01; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 161.03, Subdivision 1; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06; 241.01, Subdivision 1; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivision 1; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 42 and nays 2, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Baldy	Laufenburger	Olson, A. G.	Stokowski
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Stumpf
Brataas	Humphrey	McCutcheon	Perpich, G.	Tennessee
Brown	Josefson	Milton	Purfeerst	Ueland
Chmielewski	Keefe, J.	Moe	Schaaf	Wegener
Coleman	Keefe, S.	Nelson	Schmitz	Willet
Conzemius	Kleinbaum	North	Schrom	
Davies	Knutson	Ogdahl	Spear	
Gearty	Kowalczyk	Olhoff	Stassen	

Messrs. Larson and Renneke voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1912: A bill for an act relating to elections; affecting the place and time of voter registration; amending Minnesota Statutes 1974, Section 201.091, Subdivision 6.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 31 and nays 7, as follows:

Those who voted in the affirmative were:

Borden	Humphrey	McCutcheon	Perpich, G.	Stumpf
Chmielewski	Keefe, S.	Milton	Purfeerst	Tennessee
Coleman	Kleinbaum	Moe	Schaaf	Willet
Conzemius	Knutson	Ogdahl	Schrom	
Davies	Kowalczyk	Olhoff	Solon	
Gearty	Laufenburger	Olson, A. G.	Spear	
Hansen, Baldy	Lewis	Perpich, A. J.	Stokowski	

Those who voted in the negative were:

Bernhagen	Hansen, Mel	Larson	Nelson	Renneke
Brown	Kirchner			

So the bill failed to pass.

### MOTIONS AND RESOLUTIONS—CONTINUED SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions,

Mr. Coleman moved that the Senate take up the Calendar of Ordinary Matters and that the Rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

### CALENDAR OF ORDINARY MATTERS

S. F. No. 2469: A bill for an act relating to the city of Rochester; increasing the membership of the housing and redevelopment authority; providing terms.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Baldy	Larson	Olhoft	Solon
Borden	Hansen, Mel	Laufenburger	Olson, A. G.	Spear
Brataas	Humphrey	Lewis	Perpich, A. J.	Stassen
Brown	Keefe, J.	McCutcheon	Perpich, G.	Stokowski
Chmielewski	Keefe, S.	Milton	Purfeerst	Stumpf
Coleman	Kirchner	Moe	Renneke	Tennessee
Conzemius	Kleinbaum	Nelson	Schaaf	Ueland
Davies	Knutson	North	Schmitz	Wegener
Gearty	Kowalczyk	Ogdahl	Schrom	Willet

So the bill passed and its title was agreed to.

H. F. No. 1960: A bill for an act relating to the firemen's relief association of the city of Goodview; providing that years of service with the Goodview volunteer fire department shall be treated as years of service with the Goodview firemen's relief association; repealing Laws 1974, Chapter 188.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Mel	Laufenburger	Olson, H. D.	Stassen
Borden	Humphrey	Lewis	Perpich, A. J.	Stokowski
Brataas	Josefson	McCutcheon	Perpich, G.	Stumpf
Brown	Keefe, J.	Milton	Purfeerst	Tennessee
Chmielewski	Keefe, S.	Moe	Renneke	Ueland
Coleman	Kirchner	Nelson	Schaaf	Wegener
Conzemius	Kleinbaum	North	Schmitz	Willet
Davies	Knutson	Ogdahl	Schrom	
Gearty	Kowalczyk	Olhoft	Solon	
Hansen, Baldy	Larson	Olson, A. G.	Spear	

So the bill passed and its title was agreed to.

H. F. No. 1226: A bill for an act relating to drivers' licenses; classifications; providing that a class C license is valid for the operation of special mobile equipment used primarily for the con-

struction or maintenance of streets and highways; amending Minnesota Statutes 1974, Section 171.02, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 44 and nays 1, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Baldy	Laufenburger	Olson, A. G.	Spear
Borden	Hansen, Mel	Lewis	Olson, H. D.	Stassen
Brataas	Josefson	McCutcheon	Perpich, A. J.	Stokowski
Brown	Keefe, J.	Milton	Perpich, G.	Stumpf
Chmielewski	Kirchner	Moe	Purfeerst	Tennessee
Coleman	Kleinbaum	Nelson	Renneke	Ueland
Conzemius	Knutson	North	Schmitz	Wegener
Davies	Kowalczyk	Ogdahl	Schrom	Willet
Garty	Larson	Olhoft	Solon	

Mr. Keefe, S., voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1959: A bill for an act authorizing the commissioner of administration to convey a portion of a water system at the Red Wing state training school to the city of Red Wing.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Mel	Laufenburger	Olson, H. D.	Stassen
Borden	Humphrey	Lewis	Perpich, A. J.	Stokowski
Brataas	Josefson	McCutcheon	Perpich, G.	Stumpf
Brown	Keefe, J.	Milton	Purfeerst	Tennessee
Chmielewski	Keefe, S.	Moe	Renneke	Ueland
Coleman	Kirchner	Nelson	Schaaf	Wegener
Conzemius	Kleinbaum	North	Schmitz	Willet
Davies	Knutson	Ogdahl	Schrom	
Garty	Kowalczyk	Olhoft	Solon	
Hansen, Baldy	Larson	Olson, A. G.	Spear	

So the bill passed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson, H. D. moved that S. F. No. 1308 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

Mr. Olson, H. D. moved that the recommendations and Conference Committee Report as printed in the Journal March 11, 1976 on S. F. No. 1308 be now adopted, and that the bill be re-passed as amended by the Conference Committee.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 35 and nays 5, as follows:

Those who voted in the affirmative were:

Bernhagen	Gearty	Laufenburger	Olson, A. G.	Solon
Borden	Hansen, Baldy	Lewis	Olson, H. D.	Spear
Chenoweth	Hansen, Mel	McCutcheon	Perpich, G.	Stokowski
Chmielewski	Humphrey	Milton	Purfeerst	Stumpf
Coleman	Keefe, S.	Moe	Schaaf	Tennessee
Conzemius	Kirchner	North	Schmitz	Wegener
Davies	Kleinbaum	Olhoff	Schrom	Willet

Those who voted in the negative were:

Blatz	Brown	Josefson	Larson	Renneke
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The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 1308: A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public use; requiring a substantial beneficial public use to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; appropriating money; amending Minnesota Statutes 1974, Sections 97.481; 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

And the roll being called, there were yeas 38 and nays 10, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	Lewis	Olson, H. D.	Stassen
Borden	Hansen, Mel	McCutcheon	Perpich, A. J.	Stokowski
Chenoweth	Humphrey	Milton	Perpich, G.	Stumpf
Chmielewski	Keefe, J.	Moe	Purfeerst	Tennessee
Coleman	Keefe, S.	Nelson	Schaaf	Wegener
Conzemius	Kirchner	North	Schmitz	Willet
Davies	Kleinbaum	Olhoff	Solon	
Gearty	Laufenburger	Olson, A. G.	Spear	

Those who voted in the negative were:

Bernhagen	Brown	Knutson	Larson	Schrom
Blatz	Josefson	Kowalczyk	Renneke	Ueland

So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED  
SUSPENSION OF RULES**

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Rules of the Senate be so far suspended as to make the General Orders Calendar a Special Orders Calendar for immediate consideration. The motion prevailed.

**SPECIAL ORDER**

S. F. No. 975: A bill for an act relating to counties; written notice of public hearings relating to planning and zoning activities; amending Minnesota Statutes 1974, Section 394.26, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 41 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Kowalczyk	Olson, A. G.	Stokowski
Bernhagen	Gearty	Larson	Perpich, A. J.	Stumpf
Blatz	Hansen, Baldy	Laufenburger	Perpich, G.	Tennessee
Brataas	Humphrey	Lewis	Purfeerst	Ueland
Brown	Josefson	McCutcheon	Renneke	Willet
Chenoweth	Keefe, J.	Milton	Schmitz	
Chmielewski	Keefe, S.	Nelson	Solon	
Coleman	Kirchner	North	Spear	
Conzemius	Kleinbaum	Olhoft	Stassen	

Messrs. Borden and Wegener voted in the negative.

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 1874: A bill for an act relating to mortgages; legalizing certain foreclosure sales heretofore made and the records of the mortgage foreclosure proceedings.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Davies	Kowalczyk	Olhoft	Stassen
Blatz	Gearty	Larson	Olson, A. G.	Stokowski
Borden	Hansen, Baldy	Laufenburger	Perpich, A. J.	Stumpf
Brataas	Hansen, Mel	Lewis	Perpich, G.	Tennessee
Brown	Humphrey	McCutcheon	Purfeerst	Ueland
Chenoweth	Josefson	Milton	Renneke	Wegener
Chmielewski	Keefe, J.	Moe	Schmitz	Willet
Coleman	Kirchner	Nelson	Solon	
Conzemius	Kleinbaum	North	Spear	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 1920: A bill for an act relating to juvenile courts; requiring written findings of fact for all dispositions of delinquent, dependent, and neglected children; amending Minnesota Statutes 1974, Sections 260.185, Subdivision 1; and 260.191, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

<b>Bernhagen</b>	<b>Gearty</b>	<b>Larson</b>	<b>Olhoff</b>	<b>Spear</b>
<b>Borden</b>	<b>Hansen, Baldy</b>	<b>Laufenburger</b>	<b>Olson, A. G.</b>	<b>Stassen</b>
<b>Brataas</b>	<b>Hansen, Mel</b>	<b>Lewis</b>	<b>Perpich, A. J.</b>	<b>Stokowski</b>
<b>Brown</b>	<b>Humphrey</b>	<b>McCutcheon</b>	<b>Perpich, G.</b>	<b>Stumpf</b>
<b>Chenoweth</b>	<b>Josefson</b>	<b>Milton</b>	<b>Purfeerst</b>	<b>Tennessee</b>
<b>Chmielewski</b>	<b>Keefe, J.</b>	<b>Moe</b>	<b>Renneke</b>	<b>Ueland</b>
<b>Conzemius</b>	<b>Keefe, S.</b>	<b>Nelson</b>	<b>Schmitz</b>	<b>Wegener</b>
<b>Davies</b>	<b>Kleinbaum</b>	<b>North</b>	<b>Solon</b>	<b>Willet</b>

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 1786: A bill for an act relating to elections; providing for the maintenance of permanent registration systems in all counties; amending Minnesota Statutes, 1975 Supplement, Section 201.021.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 39 and nays 1, as follows:

Those who voted in the affirmative were:

<b>Ashbach</b>	<b>Davies</b>	<b>Kleinbaum</b>	<b>North</b>	<b>Stassen</b>
<b>Bernhagen</b>	<b>Gearty</b>	<b>Kowalczyk</b>	<b>Olhoff</b>	<b>Stokowski</b>
<b>Borden</b>	<b>Hansen, Mel</b>	<b>Larson</b>	<b>Perpich, A. J.</b>	<b>Stumpf</b>
<b>Brataas</b>	<b>Humphrey</b>	<b>Lewis</b>	<b>Purfeerst</b>	<b>Tennessee</b>
<b>Brown</b>	<b>Josefson</b>	<b>McCutcheon</b>	<b>Renneke</b>	<b>Ueland</b>
<b>Chenoweth</b>	<b>Keefe, J.</b>	<b>Milton</b>	<b>Schaaf</b>	<b>Wegener</b>
<b>Chmielewski</b>	<b>Keefe, S.</b>	<b>Moe</b>	<b>Schmitz</b>	<b>Willet</b>
<b>Conzemius</b>	<b>Kirchner</b>	<b>Nelson</b>	<b>Spear</b>	

Mr. Hansen, Baldy voted in the negative.

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 2379: A bill for an act relating to public transit; authorizing public transit authorities to establish public transit aid programs designed to assist nonprofit organizations providing transit services to the elderly and handicapped.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	McCutcheon	Perpich, A. J.	Stokowski
Bernhagen	Hansen, Mel	Merriam	Perpich, G.	Stumpf
Borden	Humphrey	Milton	Purfeerst	Tennessee
Brataas	Josefson	Moe	Renneke	Ueland
Brown	Keefe, J.	Nelson	Schaaf	Wegener
Chenoweth	Keefe, S.	North	Schmitz	Willet
Chmielewski	Kirchner	Ogdahl	Schrom	
Conzemius	Kleinbaum	Olhoff	Solon	
Davies	Larson	Olson, A. G.	Spear	
Gearty	Laufenburger	Olson, H. D.	Stassen	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 1788: A bill for an act relating to banks and banking; authorizing consumer banking facilities and credit union facilities; providing penalties; amending Minnesota Statutes 1974, Chapter 52, by adding a section.

Mr. Olson, A. G. moved to amend S. F. No. 1788 as follows:

Page 2, line 5, strike “, *provided:*” and insert a period

Page 2, strike lines 6 to 21

Page 3, after line 3, insert “*Subd. 8. “Financial institution” means a bank, saving and loan association and credit union.*”

Page 4, lines 1 through 9, strike Subdivision 1 and insert the following:

“*Subdivision 1. Pursuant to a preexisting contractual agreement, banking transactions which may be performed by a consumer banking facility shall be limited to the disbursement of funds under a pre-authorized credit agreement, the withdrawal of funds from a customer’s account, the deposit of funds in a customer’s account, the receiving of cash or checks, the disbursement of cash, the payment of loan payments and the transfer of funds to or from one or more accounts in financial institutions. Accounts may not be opened at such facilities. Any person may also operate a device which is capable of performing the functions of a consumer banking facility for any internal business activity of that person.*”

Page 5, line 5, strike “*to*” and insert “*in*”

Page 5, line 6, after “*transactions*” insert “*to transactions*”

Page 5, line 13, strike “*service corporation*” and insert “*person*”

Page 5, line 13, strike “*bank*” and insert “*financial institution*”

Page 5, line 14, strike “*whenever*”

Page 5, strike line 15 and insert “*by the commissioner as to any banking transaction by, with or involving a financial institution solely for the purpose of reconciling accounts and verifying the security and accuracy of such consumer banking facility including any supporting equipment, structures or systems, and all facts and information ob-*

*tained in the course of such examination shall not be disclosed except as otherwise provided by law."*

Page 5, line 16, strike "*corporation*" and insert "*The person examined*"

Page 5, line 22, strike "*third party*" and insert "*any person*"

Page 5, line 31, strike "*anyone*" and insert "*any person*"

Page 6, line 3, strike "*qualified*" and insert "*is capable of performing the functions of*"

Page 6, line 4, strike "*as*"

Page 6, line 4, strike "*pursuant to the provisions of*"

Page 6, line 5, strike "*this act*"

Page 6, line 8, after "*permitted*" insert "*its*"

Page 6, line 9, after "*standards*" insert "*which have been*"

Page 6, line 10, strike "*and*" and insert "*as*"

Page 6, line 10, after "*commissioner*" insert "*; provided that the requesting party agrees to grant reciprocal use of all similar devices owned or maintained by it*"

Page 6, after line 14, insert

*"Subd. 4. A person primarily engaged in the business of selling goods or services at retail who operates a consumer banking facility including any supporting equipment, structures or systems may limit his contractual agreement with any financial institution to only one or more types of banking transactions which agreement and arrangement such person shall make available upon request to any other financial institution on a non-discriminatory basis."*

Page 6, line 15, strike "*This act shall be construed as permitting the*"

Page 6, strike lines 16 to 22 and insert "*Any*"

Page 6, line 26, strike "*third parties*" and insert "*person or other financial institution*"

Page 6, line 27, after "*prohibited*" insert "*except as provided in this subdivision*"

Page 6, line 27, strike "*Provided, however,*"

Page 6, line 30, strike "*banks*" and insert "*financial institutions*"

Page 7, lines 2 and 3, strike "*group or combination of banks or any third party*" and insert "*person or other financial institution*"

Page 7, line 5, strike "*bank*" and insert "*financial institution*"

Page 7, line 12, strike "*minimum*" and insert "*appropriate*"

Page 7, strike lines 17 to 21 and insert "*including any supporting equipment, structures or systems, information received by or processed through such facilities supporting equipment, structures or systems shall be treated and used only in accordance with applicable law relating*"

*to the dissemination and disclosure of such information. Provided, further, that the person operating a consumer banking facility including any supporting equipment, structures or systems shall take such steps as are reasonably necessary to safeguard any information received or obtained about a customer or his account from misuse by any person manning a consumer banking facility including any supporting equipment, structures or systems."*

Page 7, line 26, after "of" insert "the"

Page 8, line 8, strike "bank" and insert "financial institution"

Page 8, line 15, strike "bank" and insert "financial institution"

Page 9, line 6, strike "financial institution, bank" and insert "person"

Page 9, line 7, strike "or bank holding company or service corporation"

Page 9, line 29, strike "banks" and insert "financial institutions"

Page 9, line 31, strike "bank" and insert "financial institution"

The motion prevailed. So the amendment was adopted.

Mr. Keefe, S., moved to amend S. F. No. 1788 as follows:

Page 3, line 11, strike "30 days' written notice of its intention to"

Page 3, strike lines 12 to 19 and insert "*the commissioner has authorized the establishment and maintenance of the facility. Application for authorization shall be made in the manner prescribed by rule. The commissioner shall grant authorization for the facility unless he finds that (a) there is reason to believe that the facility will not be properly and safely managed, (b) that the applicant is not financially sound, (c) that no reasonable public demand exists for the facility, (d) that there is no reasonable probability of success for the terminal, or (e) that the applicant has not furnished all of the information required by rule. If the commissioner has not denied the application within 30 days of the submission of the application, the authorization shall be deemed to be granted.*"

Page 5, line 5, strike "to" and insert "in"

Page 5, line 6, after "transactions" insert "to transactions"

Page 5, strike lines 18 to 20

Page 9, strike lines 12 to 21

Page 9, strike lines 27 to 31 and insert:

"Sec. 11. [VIOLATIONS; PENALTIES; HEARINGS.] *Subdivision 1. A violation of this act shall be subject to penalties applicable to violations of laws affecting financial institutions. In addition, violations of this act may be enjoined by civil action for an injunction by any aggrieved financial institution or by the commissioner. Unsafe or discriminatory practices in connection with the maintenance or use of a consumer banking facility shall be deemed a violation of this act. If a violation continues 15 days after service of a notice by the commissioner of his intention to revoke a person's*

*approval to operate a consumer banking facility, the commissioner may revoke such approval.*

*Subd. 2. Upon receipt of a notice of revocation, an aggrieved party may request a hearing. Within 45 days the commissioner shall hold a hearing pursuant to chapter 15. If a hearing is requested no revocation shall be effective unless ordered by the commissioner after receiving findings of fact by the hearing examiner. Notwithstanding section 15.052, subdivision 6, all costs of a hearing shall be paid by the aggrieved party."*

Renumber the remaining sections accordingly

Page 11, after line 5, insert:

*"Sec. 14. [EFFECTIVE DATE.] Provisions authorizing the commissioner to promulgate rules and regulations are effective the day after final enactment. The remaining provisions are effective October 1, 1976."*

Mr. Keefe, S., requested division of the amendment as follows:

First portion:

Page 3, line 11, strike "*30 days' written notice of its intention to*"

Page 3, strike lines 12 to 19 and insert "*the commissioner has authorized the establishment and maintenance of the facility. Application for authorization shall be made in the manner prescribed by rule. The commissioner shall grant authorization for the facility unless he finds that (a) there is reason to believe that the facility will not be properly and safely managed, (b) that the applicant is not financially sound, (c) that no reasonable public demand exists for the facility, (d) that there is no reasonable probability of success for the terminal, or (e) that the applicant has not furnished all of the information required by rule. If the commissioner has not denied the application within 30 days of the submission of the application, the authorization shall be deemed to be granted.*"

Page 5, line 5, strike "*to*" and insert "*in*"

Page 5, line 6, after "*transactions*" insert "*to transactions*"

Page 5, strike lines 18 to 20

Page 9, strike lines 27 to 31 and insert:

*"Sec. 11. [VIOLATIONS; PENALTIES; HEARINGS.] Subdivision 1. A violation of this act shall be subject to penalties applicable to violations of laws affecting financial institutions. In addition, violations of this act may be enjoined by civil action for an injunction by any aggrieved financial institution or by the commissioner. Unsafe or discriminatory practices in connection with the maintenance or use of a consumer banking facility shall be deemed a violation of this act. If a violation continues 15 days after service of a notice by the commissioner of his intention to revoke a person's approval to operate a consumer banking facility, the commissioner may revoke such approval.*

*Subd. 2. Upon receipt of a notice of revocation, an aggrieved party may request a hearing. Within 45 days the commissioner shall hold a hearing pursuant to chapter 15. If a hearing is requested no revocation shall be effective unless ordered by the commissioner after receiving findings of fact by the hearing examiner. Notwithstanding section 15.052, subdivision 6, all costs of a hearing shall be paid by the aggrieved party."*

Renumber the remaining sections accordingly

Page 11, after line 5, insert:

*"Sec. 14. [EFFECTIVE DATE.] Provisions authorizing the commissioner to promulgate rules and regulations are effective the day after final enactment. The remaining provisions are effective October 1, 1976."*

Second portion:

Page 9, strike lines 12 to 21

The question being taken on the adoption of the first portion of the amendment,

And the roll being called, there were yeas 18 and nays 27, as follows:

Those who voted in the affirmative were:

Bernhagen	Keefe, S.	North	Schaaf	Stumpf
Hansen, Baldy	Kowalczyk	Perpich, A. J.	Solon	Willet
Humphrey	Larson	Perpich, G.	Spear	
Josefson	McCutcheon	Renneke	Stokowski	

Those who voted in the negative were:

Ashbach	Davies	Laufenburger	Ogdahl	Schrom
Blatz	Gearty	Lewis	Olhoft	Tennessen
Borden	Hansen, Mel	Merriam	Olson, A. G.	Wegener
Brataas	Kirchner	Milton	Olson, H. D.	
Brown	Kleinbaum	Moe	Purfeerst	
Coleman	Knutson	Nelson	Schmitz	

The motion did not prevail. So the first portion of the amendment was not adopted.

The question being taken on the second portion of the amendment,

The motion did not prevail. So the second portion of the amendment was not adopted.

Mr. Stassen moved to amend S. F. No. 1788 as follows:

Page 9, line 13, after "bank" insert "or to move an existing bank"

The motion prevailed. So the amendment was adopted.

Mr. Blatz moved to amend S. F. No. 1788 as follows:

Page 2, strike lines 22 to 24

Renumber the subdivisions in sequence

Page 3, line 4, strike "Subdivision 1."

Page 3, strike lines 20 to 31

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

S. F. No. 1788 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 39 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Mel	Kowalczyk	Nelson	Schmitz
Bernhagen	Humphrey	Larson	Ogdahl	Schrom
Blatz	Josefson	Laufenburger	Olhoft	Solon
Borden	Keefe, J.	Lewis	Olson, A. G.	Stassen
Brataas	Keefe, S.	McCutcheon	Olson, H. D.	Stumpf
Coleman	Kirchner	Merriam	Perpich, A. J.	Tennessee
Davies	Kleinbaum	Milton	Perpich, G.	Ueland
Gearty	Knutson	Moe	Renneke	

Those who voted in the negative were:

Chenoweth	North	Spear	Wegener	Willet
Hansen, Baldy				

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

**SPECIAL ORDER**

S. F. No. 1944: A bill for an act relating to health; providing for a waiver of the certificate of need requirements by the state board of health; amending Minnesota Statutes, 1975 Supplement, Section 145.811; and Minnesota Statutes 1974, Chapter 145, by adding a section.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 39 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Knutson	Ogdahl	Stassen
Bernhagen	Gearty	Kowalczyk	Olhoft	Stokowski
Borden	Hansen, Baldy	Lewis	Olson, A. G.	Stumpf
Brataas	Hansen, Mel	McCutcheon	Olson, H. D.	Tennessee
Brown	Humphrey	Merriam	Perpich, A. J.	Ueland
Chenoweth	Josefson	Milton	Purfeerst	Wegener
Coleman	Keefe, J.	Nelson	Renneke	Willet
Conzemius	Kleinbaum	North	Schmitz	

Messrs. Keefe, S.; Schaaf and Spear voted in the negative.

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 1872: A bill for an act relating to health; providing that persons eligible for medical assistance have free selection of a medical care vendor; amending Minnesota Statutes, 1975

Supplement, Sections 256D.03, Subdivision 3; 261.21, Subdivision 2; and 261.22, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Kowalczyk	Olhoft	Schrom
Bernhagen	Hansen, Baldy	Laufenburger	Olson, A. G.	Spear
Borden	Hansen, Mel	Lewis	Olson, H. D.	Stassen
Brataas	Humphrey	Merriam	Perpich, A. J.	Stokowski
Brown	Josefson	Milton	Perpich, G.	Stumpf
Chenoweth	Keefe, J.	Moe	Purfeerst	Tennessee
Coleman	Keefe, S.	Nelson	Renneke	Ueland
Conzemius	Kleinbaum	North	Schaaf	Wegener
Davies	Knutson	Ogdahl	Schmitz	Willet

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 1998: A bill for an act relating to elections; requiring the county auditor to make available certain voter registration lists; amending Minnesota Statutes 1974, Section 201.091, Subdivisions 2 and 3, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Olson, A. G.	Spear
Bernhagen	Hansen, Baldy	Lewis	Olson, H. D.	Stassen
Blatz	Hansen, Mel	McCutcheon	Perpich, A. J.	Stokowski
Borden	Humphrey	Merriam	Perpich, G.	Stumpf
Brataas	Josefson	Milton	Purfeerst	Tennessee
Brown	Keefe, J.	Moe	Renneke	Ueland
Chenoweth	Keefe, S.	Nelson	Schaaf	Wegener
Coleman	Knutson	North	Schmitz	Willet
Conzemius	Kowalczyk	Ogdahl	Schrom	
Davies	Larson	Olhoft	Solon	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 1792: A bill for an act relating to the registration of title to real estate; fees of the registrar; providing that certain fees be credited to the assurance fund; eliminating the fees for filing the certified copy of the application for registration; amending Minnesota Statutes 1974, Sections 508.75 and 508.82.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearly	Larson	Ogdahl	Solon
Bernhagen	Hansen, Baldy	Laufenburger	Olhoff	Spear
Blatz	Hansen, Mel	Lewis	Olson, H. D.	Stassen
Borden	Humphrey	McCutcheon	Perpich, A. J.	Stokowski
Brataas	Josefson	Merriam	Perpich, G.	Stumpf
Brown	Keefe, J.	Milton	Purfeerst	Ueland
Chenoweth	Kleinbaum	Moe	Renneke	Wegener
Coleman	Knutson	Nelson	Schaaf	Willet
Davies	Kowalczyk	North	Schrom	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

H. F. No. 2022: A bill for an act relating to real property; title registration; providing for the issuance of duplicate certificates of title to replace lost or destroyed duplicate certificates; prescribing fees of the registrar; amending Minnesota Statutes 1974, Sections 508.44 and 508.82.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearly	Larson	Ogdahl	Schrom
Bernhagen	Hansen, Baldy	Laufenburger	Olhoff	Solon
Blatz	Hansen, Mel	Lewis	Olson, A. G.	Spear
Borden	Humphrey	McCutcheon	Olson, H. D.	Stassen
Brataas	Josefson	Merriam	Perpich, A. J.	Stokowski
Brown	Keefe, J.	Milton	Perpich, G.	Stumpf
Chenoweth	Kleinbaum	Moe	Purfeerst	Ueland
Conzemius	Knutson	Nelson	Renneke	Wegener
Davies	Kowalczyk	North	Schmitz	Willet

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

H. F. No. 1932: A bill for an act relating to state administrative procedures; amending Minnesota Statutes 1974, Section 15.0418; and Minnesota Statutes, 1975 Supplement, Section 15.0411, Subdivisions 3 and 4.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Kowalczyk	North	Schrom
Bernhagen	Hansen, Baldy	Larson	Ogdahl	Solon
Blatz	Hansen, Mel	Laufenburger	Olhoff	Spear
Borden	Humphrey	Lewis	Olson, A. G.	Stassen
Brataas	Josefson	McCutcheon	Olson, H. D.	Stokowski
Brown	Keefe, J.	Merriam	Perpich, A. J.	Stumpf
Chenoweth	Keefe, S.	Milton	Perpich, G.	Ueland
Coleman	Kleinbaum	Moe	Renneke	Willet
Davies	Knutson	Nelson	Schmitz	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

H. F. No. 2298: A bill for an act relating to eminent domain; time of title and possession; providing that certain payments deposited with the court shall draw interest; amending Minnesota Statutes, 1975 Supplement, Section 117.042.

Mr. Stokowski moved that the amendment made to H. F. No. 2298 by the Committee on Rules and Administration in the report adopted March 12, 1976, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 2298 was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Baldy	Larson	Olhoff	Spear
Blatz	Hansen, Mel	McCutcheon	Olson, H. D.	Stassen
Borden	Humphrey	Merriam	Perpich, A. J.	Stokowski
Brown	Keefe, J.	Milton	Perpich, G.	Stumpf
Chenoweth	Keefe, S.	Moe	Purfeerst	Ueland
Coleman	Kleinbaum	Nelson	Renneke	Wegener
Conzemius	Knutson	North	Schmitz	Willet
Davies	Kowalczyk	Ogdahl	Solon	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2327: A bill for an act relating to courts; clarifying fee exclusions for the Hennepin county municipal court; amending Minnesota Statutes 1974, Section 488A.03, Subdivision 11a.

Mr. Keefe, J. moved to amend S. F. No. 2327 as follows:

Page 1, line 17, after "court" insert "; and any and all fees previously collected are hereby declared to be in accordance with legislative intent; and this enactment is for clarification purposes"

The motion prevailed. So the amendment was adopted.

S. F. No. 2327 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 38 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Mel	Laufenburger	Olson, H. D.	Stassen
Brataas	Humphrey	Lewis	Perpich, A. J.	Stokowski
Brown	Keefe, J.	Merriam	Perpich, G.	Stumpf
Chenoweth	Keefe, S.	Milton	Renneke	Tennessee
Coleman	Kleinbaum	Moe	Schaaf	Ueland
Davies	Knutson	Nelson	Schmitz	Willet
Gearty	Kowalczyk	North	Schrom	
Hansen, Baldy	Larson	Olhoff	Solon	

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

#### SPECIAL ORDER

S. F. No. 2373: A bill for an act relating to estates; clarifies aspects of the law concerning administration of estates; harmonizes relevant registered land law with probate code; modifies document verification requirements; changes notice requirements; eliminates de novo appeals from probate court; authorizes the probate court to waive inheritance tax liens in supervised administrations; eliminates notice to attorney general for certain charitable devises; amending Minnesota Statutes 1974, Sections 524.1-310; 524.3-505; 524.3-908; 524.3-1003; 524.3-1007; 524.3-1201; 525.72; amending Minnesota Statutes, 1975 Supplement, Sections 501.79, Subdivision 2; 508.68; 524.1-401; 524.3-301; 524.3-306; 524.3-310; 524.3-403; 524.3-603; 524.3-801; 524.3-803; 524.3-806; 524.3-910; 524.3-1204; 524.4-204; and 525.31.

Mr. Brown moved to amend S. F. No. 2373 as follows:

Pages 6 and 7, strike all of section 4

Pages 10 to 13, strike all of sections 6, 7, and 8

Pages 14 and 15, strike all of section 11

Page 23, strike all of section 20

Renumber the sections

Amend the title as follows:

Line 15, strike "524.1-401;"

Line 15, strike "524.3-306;"

Line 16, strike "524.3-310; 524.3-403;"

Line 16, strike "524.3-801;"

Line 18, strike "524.4-204;"

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

S. F. No. 2373 was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 38 and nays 7, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Knutson	Moe	Schrom
Bernhagen	Gearty	Kowalczyk	Nelson	Solon
Blatz	Hansen, Baldy	Larson	North	Spear
Borden	Hansen, Mel	Laufenburger	Olhoft	Stumpf
Brataas	Humphrey	Lewis	Perpich, A. J.	Tennessee
Chenoweth	Keefe, J.	McCutcheon	Perpich, G.	Willet
Coleman	Keefe, S.	Merriam	Purfeerst	
Conzemius	Kleinbaum	Milton	Schaaf	

Those who voted in the negative were:

Brown	Olson, H. D.	Schmitz	Stassen	Ueland
Josefson	Renneke			

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2365: A bill for an act relating to retirement; actuarial valuations and experience studies of various public retirement funds; amortization of unfunded accrued liabilities; amending Minnesota Statutes 1974, Sections 356.22, Subdivision 2; 422A.08, Subdivision 2; and Minnesota Statutes, 1975 Supplement, Section 356.215, Subdivision 4.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 41 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	Laufenburger	Olson, H. D.	Spear
Bernhagen	Hansen, Mel	Lewis	Perpich, A. J.	Stassen
Blatz	Humphrey	McCutcheon	Perpich, G.	Stumpf
Brataas	Josefson	Merriam	Purfeerst	Ueland
Brown	Keefe, S.	Milton	Renneke	Willet
Chenoweth	Kleinbaum	Moe	Schaaf	
Coleman	Knutson	Nelson	Schmitz	
Conzemius	Kowalczyk	North	Schrom	
Gearty	Larson	Olhoft	Solon	

Messrs. Davies and Tennessee voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

H. F. No. 1961: A bill for an act relating to the city of Chanhassen; firemen's service pensions.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 37 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	Lewis	Perpich, A. J.	Stassen
Bernhagen	Hansen, Mel	McCutcheon	Perpich, G.	Stumpf
Blatz	Humphrey	Merriam	Purfeerst	Tennessee
Brataas	Keefe, S.	Milton	Renneke	Ueland
Chenoweth	Kleinbaum	Nelson	Schaaf	Willet
Coleman	Knutson	North	Schmitz	
Conzemius	Kowalczyk	Olhoff	Schrom	
Gearty	Laufenburger	Olson, H. D.	Solon	

Mr. Davies voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2195: A bill for an act relating to cities; authorizing cities engaged in electric power distribution to secure electric power by individual or joint action; authorizing the creation of municipal power agencies; defining their powers and responsibilities; authorizing the issuance of bonds.

Mr. Hansen, Baldy moved to amend S. F. No. 2195 as follows:

Page 3, line 26, strike “; and provided further, that the”

Page 3, strike lines 27 to 30

Page 3, line 31, strike “thereto”

Page 5, line 16, strike everything after “agreement”

Page 5, line 17, strike “of each city”

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

Mr. Merriam moved to amend S. F. No. 2195 as follows:

Page 1, line 13, after “energy” insert “or natural gas”

Page 1, line 21, after “energy” insert “or natural gas”

Page 1, line 24, after “energy” insert “or natural gas”

Page 4, line 6, after “facilities” insert “or natural gas transmission facilities”

Page 4, line 18, after “energy” insert “or natural gas”

Page 5, line 5, after “of” insert “natural gas or”

Page 10, line 28, after “energy” insert “or natural gas”

Page 10, line 31, after “energy” insert “or natural gas”

Page 12, line 4, after “project” insert “or natural gas”

Page 12, line 8, after “energy” insert “or natural gas”

Page 16, line 12, after “energy” insert “or natural gas”

Page 20, line 4, after “power” insert “or natural gas”

Page 20, line 19, after “energy” insert “or natural gas”

Page 21, line 12, after "energy" insert "or natural gas"

Further amend the title as follows:

Page 1, line 3, after "power" insert "or natural gas"

Page 1, line 4, after "power" insert "or natural gas"

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

S. F. No. 2195 was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 40 and nays 1, as follows:

Those who voted in the affirmative were:

Bernhagen	Gearty	Laufenburger	Olson, H. D.	Solon
Blatz	Hansen, Mel	Lewis	Perpich, A. J.	Spear
Brataas	Humphrey	McCutcheon	Perpich, G.	Stassen
Brown	Josefson	Merriam	Purfeerst	Stumpf
Chenoweth	Keefe, S.	Moe	Renneke	Tennessee
Coleman	Kleinbaum	Nelson	Schaaf	Ueland
Conzemius	Knutson	North	Schmitz	Wegener
Davies	Kowalczyk	Olhoff	Schrom	Willet

Mr. Hansen, Baldy voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2208: A bill for an act relating to courts; changing the status of the Hennepin county juvenile court judge; providing for continuous district court terms in all counties; providing that retired district court judges be reimbursed for expenses incurred while acting as district judges; authorizing additional power to judges of county court; requiring certain distributions of Minnesota Statutes and Session Laws; amending Minnesota Statutes 1974, Sections 260.021, Subdivision 2; 484.08; 484.09, as amended; 484.11; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.62; 648.39, Subdivision 1; and Chapter 487, by adding a section; repealing Minnesota Statutes 1974, Sections 260.021, Subdivision 3; and 490.025, Subdivision 8.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 38 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Perpich, A. J.	Spear
Bernhagen	Hansen, Baldy	Lewis	Perpich, G.	Stassen
Blatz	Hansen, Mel	McCutcheon	Purfeerst	Stumpf
Brataas	Humphrey	Merriam	Renneke	Tennessee
Brown	Josefson	Moe	Schaaf	Ueland
Chenoweth	Kleinbaum	Nelson	Schmitz	Willet
Coleman	Knutson	North	Schrom	
Davies	Kowalczyk	Olson, H. D.	Solon	

Mr. Conzemius voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2381: A bill for an act relating to the city of Fairmont; authorizing a solid waste disposal and resource recovery facility; granting the city the powers of a county under Minnesota Statutes 1974, Chapter 400.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Gearty	Laufenburger	Olson, H. D.	Spear
Blatz	Hansen, Baldy	Lewis	Perpich, A. J.	Stassen
Borden	Hansen, Mel	McCutcheon	Perpich, G.	Stumpf
Brataas	Humphrey	Merriam	Purfeerst	Tennessee
Brown	Josefson	Moe	Renneke	Ueland
Coleman	Kleinbaum	Nelson	Schmitz	Wegener
Conzemius	Knutson	North	Schrom	Willet
Davies	Kowalczyk	Olhoff	Solon	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2330: A bill for an act relating to municipalities; procedures required for the letting of certain contracts; amending Minnesota Statutes 1974, Section 471.345, Subdivisions 3, 4 and 5.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Laufenburger	Perpich, A. J.	Spear
Bernhagen	Hansen, Baldy	McCutcheon	Perpich, G.	Stassen
Blatz	Hansen, Mel	Merriam	Purfeerst	Stumpf
Borden	Humphrey	Moe	Renneke	Tennessee
Brataas	Josefson	Nelson	Schaaf	Ueland
Brown	Kleinbaum	North	Schmitz	Wegener
Coleman	Knutson	Olhoff	Schrom	Willet
Conzemius	Kowalczyk	Olson, H. D.	Solon	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2100: A bill for an act relating to insurance; defining persons entitled to participate in the assigned claims plan for

motor vehicle injuries; amending Minnesota Statutes 1974, Section 65B.64, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 37 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	McCutcheon	Perpich, G.	Stumpf
Bernhagen	Hansen, Mel	Merriam	Purfeerst	Tennessee
Blatz	Humphrey	Moe	Renneke	Ueland
Borden	Josefson	Nelson	Schmitz	Wegener
Brataas	Kleinbaum	North	Schrom	Willet
Brown	Knutson	Olhoft	Solon	
Coleman	Kowalczyk	Olson, H. D.	Spear	
Davies	Laufenburger	Perpich, A. J.	Stassen	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2174: A bill for an act relating to intoxicating liquor; importation of limited quantities without payment of tax; amending Minnesota Statutes 1974, Section 340.601.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 38 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	Laufenburger	Perpich, A. J.	Stassen
Bernhagen	Hansen, Mel	Lewis	Perpich, G.	Stumpf
Blatz	Humphrey	McCutcheon	Purfeerst	Tennessee
Borden	Josefson	Merriam	Schaaf	Ueland
Brataas	Keefe, S.	Moe	Schmitz	Wegener
Coleman	Kleinbaum	Nelson	Schrom	Willet
Conzemius	Knutson	North	Solon	
Davies	Kowalczyk	Olson, H. D.	Spear	

Messrs. Brown and Olhoft voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2328: A bill for an act relating to insurance; eliminating certain abstracting and publishing requirements for financial statements of fraternal beneficiary associations and reciprocal or inter-insurance exchanges; amending Minnesota Statutes 1974, Sections 60A.13, Subdivision 7; and 60A.14, Subdivision 1; repealing Minnesota Statutes 1974, Section 60A.13, Subdivisions 3 and 4.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 35 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	Laufenburger	Olson, H. D.	Spear
Blatz	Hansen, Mel	Lewis	Perpich, A. J.	Stassen
Borden	Humphrey	McCutcheon	Perpich, G.	Stumpf
Brown	Josefson	Moe	Purfeerst	Tennessee
Coleman	Kleinbaum	Nelson	Renneke	Ueland
Conzemius	Knutson	North	Schrom	Wegener
Davies	Kowalczyk	Olhoft	Solon	Willet

Messrs. Chenoweth, Merriam and Schmitz voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 1780: A bill for an act relating to credit unions; allowing credit unions to permit draft withdrawals by their members; amending Minnesota Statutes 1974, Section 52.04.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 37 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	Lewis	Perpich, G.	Stassen
Blatz	Hansen, Mel	McCutcheon	Purfeerst	Stumpf
Borden	Humphrey	Merriam	Renneke	Tennessee
Brataas	Josefson	Moe	Schaaf	Wegener
Chenoweth	Keefe, S.	North	Schmitz	Willet
Coleman	Kleinbaum	Olhoft	Schrom	
Conzemius	Knutson	Olson, H. D.	Solon	
Davies	Kowalczyk	Perpich, A. J.	Spear	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2370: A bill for an act relating to loan guaranties; requiring notice to guarantor of extent of liability.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 37 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	Laufenburger	Purfeerst	Stumpf
Blatz	Hansen, Mel	McCutcheon	Renneke	Tennessee
Borden	Humphrey	Merriam	Schaaf	Ueland
Brataas	Josefson	Moe	Schmitz	Wegener
Chenoweth	Keefe, S.	North	Schrom	Willet
Coleman	Kleinbaum	Olhoft	Solon	
Conzemius	Knutson	Perpich, A. J.	Spear	
Davies	Kowalczyk	Perpich, G.	Stassen	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 1615: A bill for an act relating to natural resources; prohibiting, except in national emergencies, certain activities in the boundary waters canoe area; prohibiting certain activities outside the boundary waters canoe area which cause degradation of a natural resource within the boundary waters canoe area.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Baldy	Lewis	Perpich, A. J.	Spear
Blatz	Hansen, Mel	McCutcheon	Perpich, G.	Stassen
Borden	Humphrey	Merriam	Purfeerst	Stumpf
Brataas	Keefe, S.	Moe	Renneke	Tennessee
Chenoweth	Kleinbaum	Nelson	Schaaf	Ueland
Coleman	Knutson	North	Schmitz	Wegener
Conzemius	Kowalczyk	Olhoff	Schrom	Willet
Davies	Laufenburger	Olson, H. D.	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1456: A bill for an act relating to soil and water conservation; providing for the operation of the soil and water conservation commission; amending Minnesota Statutes, 1975 Supplement, Section 40.03, Subdivision 1; Minnesota Statutes 1974, Sections 40.03, Subdivisions 2 and 4; and 40.06, Subdivision 2.

Was read the third time time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hansen, Mel	Lewis	Perpich, A. J.	Spear
Blatz	Humphrey	McCutcheon	Perpich, G.	Stassen
Borden	Josefson	Merriam	Purfeerst	Stumpf
Brataas	Keefe, S.	Moe	Renneke	Tennessee
Chenoweth	Kleinbaum	Nelson	Schaaf	Ueland
Coleman	Knutson	North	Schmitz	Wegener
Conzemius	Kowalczyk	Olhoff	Schrom	Willet
Davies	Laufenburger	Olson, H. D.	Solon	

So the bill passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

**REPORTS OF COMMITTEES**

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

S. F. No. 1875: A bill for an act relating to health; restricting persons who may administer anesthesia; licensing registered nurses to administer anesthesia; providing for temporary permits and extended time for compliance; amending Minnesota Statutes 1974, Sections 148.171 and 148.283; Minnesota Statutes, 1975 Supplement, Sections 148.181, Subdivision 1; 148.231; 148.-261; 148.271; and 148.281, Subdivision 1; and Chapters 145, by adding a section; and 148 by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, strike Section 1

Page 3, strike section 3

Page 3, line 32, after the comma insert "Subdivision 1,"

Page 4, after line 26, insert:

"Sec. 4. Minnesota Statutes, 1975 Supplement, Section 148.231, Subdivision 2, is amended to read:"

Page 5, strike lines 12 to 27 and insert:

"Sec. 5. Minnesota Statutes, 1975 Supplement, Section 148.231, Subdivision 4, is amended to read:"

Page 6 after line 9, insert:

"Sec. 6. Minnesota Statutes, 1975 Supplement, Section 148.231, Subdivision 5, is amended to read:"

Page 6, after line 27 insert:

"Sec. 7. Minnesota Statutes, 1975 Supplement, Section 148.231, Subdivision 6, is amended to read:"

Page 7, line 4, strike "*Subdivision 1. [APPLICATION.]*"

Page 7, strike lines 12 to 18

Page 7, line 20, after "148.261," insert "Subdivision 1,"

Page 8, strike lines 13 to 32

Page 9, strike lines 1 to 6, and insert:

"Sec. 10. Minnesota Statutes, 1975 Supplement, Section 148.261, Subdivision 3, is amended to read:"

Page 12, line 32, after "*anesthesia*" insert "*as a registered nurse*"

Page 13, line 10, strike "*any person*" and insert "*a registered nurse*"

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 7, after the semicolon insert "Chapter 148, by adding a section;"

Page 1, line 8, strike "148.181, Subdivision 1;"

Page 1, line 8, after "148.231" insert ", Subdivisions 1, 2, 4, 5 and 6"

Page 1, line 8, after "148.261" insert ", Subdivision 1 and 3

Page 1, line 9, strike "; and Chapters" and insert a period and strike lines 10 and 11

And when so amended the bill do pass. Amendments adopted. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. No. 1875 was read the second time.

#### **RECONSIDERATION**

Mr. McCutcheon moved that the vote whereby S. F. No. 2099 failed to pass the Senate on March 12, 1976, be now reconsidered.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 11:30 o'clock a.m., Monday, March 15, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINETIETH DAY

St. Paul, Minnesota, Monday, March 15, 1976

The Senate met at 11:30 o'clock a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Arnold	Doty	Kleinbaum	Olson, A. G.	Schmitz
Bernhagen	Dunn	Kowalczyk	Olson, H. D.	Spear
Blatz	Fitzsimons	Larson	Olson, J. L.	Stumpf
Borden	Gearty	Lewis	Patton	Tennessee
Brataas	Hansen, Baldy	McCutcheon	Perpich, A. J.	Ueland
Brown	Hanson, R.	Merriam	Perpich, G.	Wegener
Coleman	Humphrey	Milton	Pillsbury	Willet
Conzemius	Keefe, S.	North	Purfeerst	
Davies	Kirchner	Olhoff	Renneke	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. William D. Young.

The roll being called, the following Senators answered to their names:

Arnold	Davies	Keefe, S.	Nelson	Schaaf
Ashbach	Doty	Kirchner	North	Schmitz
Bang	Dunn	Kleinbaum	Olhoff	Schrom
Berg	Fitzsimons	Knutson	Olson, A. G.	Solon
Bernhagen	Frederick	Kowalczyk	Olson, H. D.	Spear
Blatz	Gearty	Larson	Olson, J. L.	Stassen
Borden	Hansen, Baldy	Laufenburger	Patton	Stokowski
Brataas	Hansen, Mel	Lewis	Perpich, A. J.	Stumpf
Brown	Hanson, R.	McCutcheon	Perpich, G.	Tennessee
Chenoweth	Humphrey	Merriam	Pillsbury	Ueland
Coleman	Jensen	Milton	Purfeerst	Wegener
Conzemius	Josefson	Moe	Renneke	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

### MEMBERS EXCUSED

Messrs. Anderson, Chmielewski, Hughes, Ogdahl, O'Neill and Sillers were excused from the Session of today. Mr. McCutcheon

was excused from the Session of today at 1:00 o'clock p.m. Mr. Hansen, Mel was excused from the latter part of today's Session.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

March 12, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
	749	42	March 11	March 11
	945	43	March 11	March 11

Sincerely,  
Joan Anderson Growe  
Secretary of State

### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Stumpf introduced—

S. F. No. 2559: A bill for an act relating to Independent School District No. 625; defining what district funds shall be matched by certain state funds.

Referred to the Committee on Education.

Messrs. Hansen, Baldy; and Davies introduced—

S. F. No. 2560: A bill for an act relating to state university employees; approving wage and economic fringe benefit agreements between the state and certain employees of the state university system; amending Minnesota Statutes 1974, Chapter 136, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 43.12, Subdivision 17.

Referred to the Committee on Governmental Operations.

Messrs. Ueland, Schmitz and Renneke introduced—

S. F. No. 2561: A bill for an act relating to taxation; providing that gross receipts from the sale of secondary school yearbooks

be exempt from sales tax; amending Minnesota Statutes 1974, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

S. F. No. 2288: A bill for an act relating to Indian affairs; re-naming the board on Indian affairs; providing a change in membership for the board; changing the duties of the board; amending Minnesota Statutes 1974, Section 3.922, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, after the comma insert "*the executive director of the Minnesota housing finance agency, the commissioner of the iron range resources and rehabilitation board,*"

Page 2, line 19, strike the colon

Page 2, strike lines 20 to 22

Page 2, line 23, strike "on committees of the senate;"

Page 2, line 32, strike "two" and insert "four"

Page 3, line 5, strike everything after the stricken language

Page 3, strike lines 6 to 9

Page 3, line 10, strike everything through the period

Page 3, line 10, after the period insert "*A member who is a tribal chairman shall cease to be a member at the end of his term as tribal chairman. A member who is a designee of a tribal chairman shall cease to be a member at the end of the term of the tribal chairman who designated him.*"

Page 3, line 23, strike "Two" and insert "Four additional voting"

Page 3, line 25, after "members" insert "and eligible voters"

Page 4, line 4, after the period insert "*The voting procedure shall include voting by absentee ballot.*"

Page 4, line 13, strike "MEMBERSHIP" and insert "EXPIRATION"

Page 4, line 13, strike "Members"

Page 4, strike lines 14 to 21 and insert "*The council shall expire and the compensation of non-legislator voting members shall be as provided in section 15.059.*"

Page 4, line 29, strike "The"

Page 4, line 29, strike "*board shall meet*"

Page 4, line 30, strike "*quarterly. Special*"

Page 4, line 32, after "*the*" and before "*members*" insert "*voting*"

Page 5, line 3, strike "*, or when it deems it*"

Page 5, lines 4 and 5, strike the new language

Page 5, line 8, strike the comma

Page 5, line 9, strike "*fix the compensation,*"

Page 5, line 14, after the period insert "*The board shall maintain an office in St. Paul and Bemidji.*"

Page 6, line 3, strike "*primary*"

Page 6, line 7, strike "*tribal governments*" and insert "*Indian people*"

Page 6, line 8, strike "*through the board*"

Page 6, line 17, after "*legislature*" insert "*, if necessary,*"

Page 6, lines 18 to 19, strike "*providing revised membership and representation on the board*"

Page 6, strike lines 22 to 24 and insert:

"(7) *Assist the secretary of state in establishing an election of at large members of the board;*"

Page 6, lines 25 and 30, strike "*the members of*"

Page 6, line 28, strike "*members of*"

Page 7, lines 1 and 2, strike "*, through the elected apparatus of the board,*"

Page 7, lines 3 and 13, strike the comma after "*governments*" and insert "*or other Indian*"

Page 7, line 7, strike the comma and insert "*and the structure and procedures of*"

Page 7, lines 7 to 8, strike "*and governmental due process*"

Page 7, line 12, strike "*Designate*" and insert "*Provide for*"

Page 7, line 26, strike "*boards*" and insert "*councils*"

Page 8, line 4, strike "*the*" and insert "*their*"

Page 8, line 9, after "*state*" insert "*and local*"

Page 8, line 16, strike "*an arbiter or*" and insert "*a*"

Page 8, line 16, after "*when*" insert "*requested,*"

Page 8, after line 28, insert:

"*Subd. 8. [ADVISORY COUNCIL.] There is created an advisory council on urban Indians to advise the board on the unique problems and concerns of Minnesota Indians who are residing in urban areas of the state. The council shall consist of five Indian residents of the cities*

*of the first class, to be appointed by the board. The council shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059."*

Page 8, line 29, strike "8" and insert "9"

Amend the title as follows:

Line 4, after "board;" insert "creating an advisory council;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 1069: A bill for an act relating to the operation of state government; state employees; adoption of rules by state commissioner of personnel; providing for agreement of rules with employment contracts; amending Minnesota Statutes 1974, Section 43.323, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, strike the new language

Page 2, line 2, strike "with the" and insert "A"

Page 2, line 2, strike "provisions" and insert "provision"

Page 2, line 2, after "of" insert "an"

Page 2, line 2, strike "agreements" and insert "agreement"

Page 2, line 3, after "5" insert "*shall supersede the provisions of any rule or portion thereof which is inconsistent therewith*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 2039: A bill for an act relating to health care; clarifying and expanding the patients' bill of rights; requiring certain notices; providing penalties; amending Minnesota Statutes 1974, Sections 144.651 and 144.652.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 1, insert:

*"For the purposes of this section, and section 144.651, "patient" means a person who is admitted to an acute care inpatient facility for a continuous period longer than 24 hours, for the purpose of diagnosis or treatment bearing on the physical or mental health of that person. "Resident" means a person who is admitted to a non-acute care facility including extended care facilities, nursing homes, and board and care homes for care required because of*

*prolonged mental or physical illness or disability, recovery from injury or disease, or advancing age."*

Page 2, line 3, after "of" strike "the" and insert "each"

Page 2, line 3, strike "or" and insert "and"

Page 2, line 8, after "patient" insert "and resident"

Page 2, line 12, strike "such"

Page 2, line 13, strike "that" and insert "in which"

Page 2, line 13, strike "such" and insert "the"

Page 2, line 14, after "patient" insert "or resident"

Page 2, line 29, after "to" strike "the" and insert "his"

Page 2, line 30, strike "of the patient or resident"

Page 3, line 8, after "during" insert "his"

Page 3, line 13, strike "or" and insert "and"

Page 3, line 17, strike "patient or"

Page 3, line 20, strike "patients' or"

Page 3, line 22, strike "patient or"

Page 3, line 24, strike "patient or"

Page 3, line 25, strike "patient or"

Page 3, line 30, strike "patient or"

Page 3, line 31, after "stay" and before the comma, insert "in a facility"

Page 4, line 1, after "end" insert ", he"

Page 4, line 5, strike "patient or"

Page 4, line 8, after "by" strike "a" and insert "his"

Page 4, line 9, strike "patient or"

Page 4, line 10, strike ". A violation" and insert a semicolon

Page 4, strike line 11

Page 4, line 12, strike "or" and insert "and"

Page 4, line 17, strike "patient or"

Page 4, line 20, strike "patient or"

Page 4, line 25, strike "patient or"

Page 4, line 28, strike "patient or"

Page 5, line 1, strike "patient or"

Page 5, line 3, strike "patients or"

Page 5, line 8, after "during" insert "his"

Page 5, line 8, after "stay" and before the comma insert "at a facility"

Page 5, line 16, before the period insert "or any law providing for the licensure of nursing homes"

Page 5, line 21, strike "legislative audit commission" and insert "nursing home complaint team of the health department or any division or agency of state government which succeeds it"

Page 5, line 25, strike "patient or"

Page 5, line 28, strike "patient or"

Page 5, strike lines 30 and 31

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1837: A bill for an act relating to state government; executive orders of the governor; effective and expiration dates and orders setting up task forces; amending Minnesota Statutes 1974, Section 15.051, Subdivision 3; and Minnesota Statutes, 1975 Supplement, Section 15.051, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [4.035] [EXECUTIVE ORDERS.] *Subdivision 1. [APPLICABILITY.] A written statement or order executed by the governor pursuant to his constitutional or statutory authority and denominated by him as an executive order, or a statement or order of the governor required by law to be in the form of an executive order, shall be uniform in format, shall be numbered consecutively, and shall be effective and expire as provided in this section. Executive orders creating agencies shall be consistent with the provisions of this section and section 4.*

*Subd. 2. [EFFECTIVE DATE.] An executive order issued pursuant to sections 12.31 to 12.32 or any other emergency executive order issued to protect a person from an imminent threat to his health and safety shall be effective immediately and shall be filed with the secretary of state and published in the state register as soon as possible after its issuance. Emergency executive orders shall be identified as such in the order. Any other executive order shall be effective, and shall be filed with the secretary of state, 15 days after its publication in the state register. The governor shall submit a copy of the executive order to the commissioner of administration to facilitate publication in the state register.*

*Subd. 3. [EXPIRATION DATE.] Unless an earlier date is specified by statute or by executive order, an executive order shall expire*

*30 days after the date that the governor who issued the order vacates his office.*

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 15.051, Subdivision 1, is amended to read:

15.051 [STATE REGISTER.] Subdivision 1. [PURPOSE.] The commissioner of administration shall publish a state register containing all notices for hearings concerning rules, giving time, place and purpose of the hearing and the full text of the action being proposed. Further, the register shall contain all rules, amendments, suspensions, or repeals thereof, pursuant to the provisions of this chapter. The commissioner shall further publish any executive order issued by the governor which shall become effective ~~upon each~~ *15 days after publication except as provided in section 1, subdivision 2.* The commissioner shall further publish any official notices in the register which a state agency requests him to publish. Such notices shall include, but shall not be limited to, the date on which a new agency becomes operational, the assumption of a new function by an existing state agency, or the appointment of commissioners. The commissioner may prescribe the form and manner in which agencies submit any material for publication in the state register, and he may withhold publication of any material not submitted according to the form or procedures he has prescribed.

The commissioner of administration may organize and distribute the contents of the register according to such categories as will provide economic publication and distribution and will offer easy access to information by any interested party.

Sec. 3. Minnesota Statutes 1974, Section 15.051, Subdivision 3, is amended to read:

Subd. 3. [SUBMISSION OF ITEMS FOR PUBLICATION.] Any state agency which desires to publish a notice of hearing, rule or regulation or change thereof, ~~or an executive order,~~ shall submit a copy of the entire document, including dates when adopted, and filed with the secretary of state, to the commissioner of administration in addition to any other copies which may be required to be filed with the commissioner by other law.

Sec. 4. [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. A task force, council or committee shall expire two years after the date of the order unless otherwise specified consistent with section 1, 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 re-*

*named 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. 5. Minnesota Statutes 1974, Section 16.125, is amended to read:

16.125 [TRANSFER OF POWERS OR DUTIES.] *Subdivision 1. The authority of the commissioner of administration under sections 16.13 and 16.135, includes the authority to transfer functions, in order to improve efficiency or avoid duplication, may transfer powers or duties, and personnel necessary to perform the powers or duties, of a department to another or agency with the approval of the governor to another department or agency that has been in existence for at least one year prior to the date of transfer. A transfer must have received the prior approval of the governor.*

*Subd. 2. [FORM OF TRANSFER; EFFECTIVE DATE.] A transfer made pursuant to subdivision 1 shall be in the form of a reorganization order. A reorganization order shall be filed with the secretary of state, shall be uniform in format and shall be numbered consecutively. An order shall be effective upon filing with the secretary of state and shall remain in effect until amended or superseded. Copies of the filed order shall be delivered promptly by the commissioner to the secretary of the senate and the chief clerk of the house.*

*Subd. 3. [CERTAIN REORGANIZATION ORDERS.] A reorganization order which transfers all or substantially all of the powers or duties of a department, the energy agency, the housing finance agency or the pollution control agency shall be submitted to the chief clerk of the house and the secretary of the senate, and the order shall not become effective if the legislature by concurrent resolution disapproves the order before the 20th legislative day after its submission to the chief clerk of the house and the secretary of the senate.*

*Subd. 4. In case of transfer of function The commissioner of finance shall determine the fractional part of the appropriation to the department or agency from which the function power or duty is transferred for the function represented by that transferred power or duty, and that part of the appropriation is hereby reappropriated to the transferee department or agency assigned the function. The commissioner shall forthwith report the transfers to the committee on finance in the senate and the committee on appropriations in the house of representatives.*

Sec. 6. [REPEALER.] *Minnesota Statutes 1974, Section 16.13, is repealed.*

Sec. 7. [EFFECTIVE DATE.] *This act is effective July 1, 1976."*

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to the organization and operation of state government; standardizing the format and procedures relat-

ing to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; amending Minnesota Statutes 1974, Sections 15.051, Subdivision 3; and 16.125; and Minnesota Statutes, 1975 Supplement, Section 15.051, Subdivision 1; repealing Minnesota Statutes 1974, Section 16.13."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 586: A bill for an act relating to the housing finance agency; providing for certain powers relating to low income housing; amending Minnesota Statutes 1974, Section 462A.07, Subdivision 13.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, after the stricken period insert "*It may engage or assist in the development and operation of low income housing if the federal government provides assistance in connection with the housing and the development and operation is in conformity with the applicable provisions of federal laws and regulations.*"

Page 1, line 19, reinstate the stricken "In the allocation of federal housing"

Page 1, lines 20 to 23 reinstate the stricken language

Page 1, line 23 after the reinstated "state" insert "*unless the granting of this priority is inconsistent with federal statute or regulation.*"

Page 1, line 23, strike "*It may*"

Page 2, lines 1 to 5, strike the new language

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1787: A bill for an act relating to corrections; providing for payment of hospitalization insurance for employees retiring before age 65; amending Minnesota Statutes 1974, Section 241.01 by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 43.43, Subdivision 2, is amended to read:

Subd. 2. "State employee" for the purpose of determining eligi-

bility for the basic life insurance and basic health benefits coverage hereunder means:

(1) An employee in the classified service of the state civil service paid on a state payroll;

(2) An employee in the unclassified service of the state paid on a state payroll who is not excluded from any of the provisions of sections 43.42 to 43.49;

(3) A permanent employee of the legislature or a permanent employee of a permanent study or interim committee or commission;

(4) A judge of the supreme court or an officer or employee of such court; a judge of the district court;

(5) A salaried employee of the public employees retirement association;

(6) Full time military or civilian personnel in the unclassified service of the department of military affairs whose salary is paid from state funds;

(7) A salaried employee of the Minnesota historical society, whether paid from state funds or otherwise, who is not a member of the governing board;

(8) An employee of the regents of the university of Minnesota, who is a member of the academic staff with the rank of instructor, research fellow, or above, including a lecturer, serving on not less than 75 percent regular appointment;

(9) An employee of the regents of the university of Minnesota and a member of the civil service staff under the civil service plan, adopted by the university of Minnesota, who is employed on a monthly salaried appointment;

(10) An employee of the state college board or the state board for community colleges who is a member of the academic staff, who is employed for not less than a 75 percent time basis, and who is paid on a state salary payroll; or

(11) An employee of the state college board or the state board for community colleges who is either in the classified service or the unclassified service of the state civil service whose salary is paid from the college board of the state of Minnesota, revenue fund or the college activity fund. The required premium payment of such an employee is to be paid, however, from the fund from which the employee's salary is paid;

(12) A member of the state legislature.

(13) A seasonal employee of the waters, soils and minerals division of the state department of natural resources whose duties include the sampling, weighing or grading of iron ore, taconite, or other minerals; provided that the employee shall receive the benefits provided in sections 43.42 to 43.50, at no cost to the employee for the period in each calendar year when the employee is not working at his occupation, and the premiums therefor shall be paid from the same salary fund or account as the salary of the employee.

(14) A person employed in the state service as a pre-service trainee on a full time basis.

(15) *Certain retired employees of the department of corrections to the extent provided in section 2.*"

Renumber the remaining section

Page 1, line 9, strike "*department*" and insert "*commissioner*"

Page 1, line 10, after "*pay*" insert "*50 percent of*"

Page 1, lines 10 to 11, strike "*premiums on health benefits described in section 43.44*" and insert "*the state contribution on hospital and medical benefits coverage as provided for in sections 43.42 to 43.50*"

Page 1, line 12, strike "*premiums*" and insert "*state contributions*"

Page 1, after line 14, add two new sections to read:

*"Sec. 3. There is appropriated to the commissioner of corrections amounts necessary to pay the benefits coverage provided for in section 1. This appropriation shall not expire but shall continue, notwithstanding provisions of chapters 10 or 16A to the contrary.*

*Sec. 4. This act is effective the day following enactment."*

Amend the title as follows:

Page 1, line 4 after "65;" insert "appropriating money;"

Page 1, line 5, after "subdivision" insert "; Minnesota Statutes, 1975 Supplement, Section 43.43, Subdivision 2"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2325: A bill for an act relating to the administration of justice; authorizing judicially imposed fees for county law libraries; amending Minnesota Statutes 1974, Sections 140.26; 140.30; 140.31; and Chapter 140, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1974, Chapter 140, is amended by adding a section to read:

[140.211] [PROBATE FEES.] *Subdivision 1. The clerk of court of the probate court of Ramsey county in each proceeding in the probate court in the matter of the estate of a deceased person looking to the entry of a decree determining the descent of real estate or of a decree or order for distribution of estate, except in summary administrative procedures for small estates pursuant to Minnesota Statutes, Sections 524.3-1203 or 524.3-1204 or in summary pro-*

*ceedings instituted pursuant to Minnesota Statutes, Section 525.51, shall collect a law library fee from the petitioner instituting the proceeding at the time of the filing of the first petition therein. The disbursement shall be an item of expense of administration of the estate, entitling the petitioner to reimbursement therefor out of the estate.*

*Subd. 2. The law library trustees shall, with the approval of the Ramsey county board of commissioners, set the amount of the library fee.*

Sec. 2. Minnesota Statutes 1974, Chapter 140, is amended by adding a section to read:

[140.212] [RAMSEY COUNTY MUNICIPAL COURT.] *Subdivision 1. The clerk of the Ramsey county municipal court shall collect a law library fee from each plaintiff and person commencing a civil action in municipal court, at the time of the filing of the first paper in the manner in which other fees are collected.*

*Subd. 2. The law library trustees shall, with the approval of the Ramsey county board of commissioners, set the amount of the library fee.*

*Subd. 3. The law library fee is a cost in the action and taxable as such, and is to be allotted for the support of the library.*

Sec. 3. Minnesota Statutes 1974, Section 140.22, is amended to read:

140.22 [LIMITATIONS.] The provisions of section 140.21 and sections 1 and 2 of this act shall not apply to actions or proceedings commenced by the state or any municipality therein, to garnishment proceedings, to the filing of transcripts, to compensation awards, or to complaints in intervention in receivership proceedings.

Sec. 4. Minnesota Statutes 1974, Section 140.23, is amended to read:

140.23 [FEES PAID TO COUNTY TREASURER.] On the first day of each month the clerk of the district court of the second judicial district, and the clerks of the municipal and probate courts of Ramsey county shall pay the fees collected to the treasurer of the county taking his receipt therefor; the Ramsey county treasurer shall upon itemized vouchers approved by the board of law library trustees, disburse the same and any other money belonging to the board to pay the necessary expenses of equipping and maintaining the library."

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 5, after "Sections" insert "140.22; 140.23;"

Page 1, line 6, strike "a section" and insert "sections"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was re-referred

S. F. No. 1928: A bill for an act relating to the city of Maplewood; paramedic service; authorizing the collection of taxes in excess of the levy limits for purposes of the paramedic program.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike all of section 2 and insert:

"Sec. 2. This act is effective upon approval by a majority of the voters of the city of Maplewood, on or before September 30, 1976, of a levy limit base adjustment for levy year 1976 and subsequent levy years, pursuant to Minnesota Statutes, Section 275.58, for the purpose of financing the paramedic program provided for in Laws 1975, Chapter 426, Section 4."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2470: A bill for an act relating to taxation; permitting a deduction from the sales tax by certain sales tax permit holders to defray the costs of collecting and remitting the tax; amending Minnesota Statutes 1974, Section 297A.26, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, strike "equal to two" and insert "of \$8 on each timely filed return"

Page 1, strike lines 12 and 13

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was re-referred

S. F. No. 1799: A bill for an act relating to energy conservation; providing for promulgation of quality standards and performance labeling of solar energy devices; exempting solar energy devices from property taxation; providing a ten percent credit against income tax for the cost of pollution control equipment and solar energy devices; extending feedlot pollution control equipment credit; exempting solar energy devices and pollution control equipment from sales taxation; amending Minnesota Statutes 1974, Sections 290.06, Subdivisions 9 and 9a; and 297A.25, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Section 272.02, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 18, reinstate "meet" and strike "be"

Page 5, strike line 19

Page 5, line 20, reinstate the comma

Page 5, line 20, after "standards" strike "or"

Page 5, line 20, reinstate "or criteria prescribed by"

Page 5, line 20, strike "of"

Page 5, line 21, reinstate "and must be"

Page 5, reinstate line 22

Page 5, line 22, after "permit" insert ", stipulation"

Page 5, strike line 23

Page 5, line 30, after "permit" insert ", stipulation or order"

Page 6, line 9, reinstate "equipment"

Page 6, strike lines 10 through 13

Page 6, line 14, strike "used, and which is"

Page 6, line 15, reinstate "(a) that is installed and operated within"

Page 6, reinstate lines 16 and 17

Page 6, line 18, reinstate "the Minnesota pollution control agency"

Page 6, line 19, strike "a septic" and insert "an individual sewage treatment"

Page 6, line 19, strike "and"

Page 6, strike lines 20 and 21

Page 6, line 22, strike "thereunder" and insert "provided that the individual sewage treatment system was constructed as a result of state or local laws, ordinances or regulations relating to water pollution"

Page 6, line 24, after "year" insert "in which the property is installed, or"

Page 7, strike lines 26 and 27 and insert "and to individual sewage treatment systems installed"

Page 15, line 20, after "(x)" insert "After January 1, 1977,"

Page 15, strike lines 24 through 29

Page 15, line 30, strike "and" and insert a comma

Page 15, line 30, after "2" insert ", 4, 5 and 6"

Page 16, strike lines 1 and 2

Amend the title as follows:

Page 1, line 10, strike "and pollution control equipment"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J., from the Committee on Taxes and Tax Laws, to which was referred

H. F. No. 814: A bill for an act relating to taxation; authorizing an increase in fees charged for preparation of delinquent tax, current tax and federal tax lien certificates; amending Minnesota Statutes 1974, Sections 272.12; 272.47; and 272.483.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 3, strike all of section 1 and insert:

“Section 1. Minnesota Statutes 1974, Section 272.46, is amended to read:

272.46 [AUDITOR TO FURNISH STATEMENT OF TAX LIENS AND TAX SALES; FEES; APPLICATION.] The county auditor, upon written application of any person, shall make search of the records of his office, and ascertain the existence of all tax liens and tax sales as to any lands described in the application, and certify the result of such search under his hand and the seal of his office, giving the description of the land and all tax liens and tax sales shown by such records, and the amount thereof, the year of tax covered by such lien, the date of tax sale, and the name of the purchaser at such tax sale.

For such service the county auditor shall receive a compensation of 50 cents charge a fee of one dollar for each lot or tract of land described in the certificate, which compensation shall be in addition to any compensation allowed him by law. Any number of contiguous tracts of land not exceeding one section, assessed as broad acres, or adjoining lots in the same block, in the city, shall be considered as one lot or parcel within the meaning of this section. The provisions of this section shall not apply to counties having a population of more than 225,000.”

Amend the title as follows:

Page 1, line 5, strike “272.12” and insert “272.46”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

S. F. No. 1112: A bill for an act relating to small business; creating a small business loan fund; providing for the issuance and sale of small business assistance bonds, providing for loans to small business concerns; creating a small business loan advisory council; providing for the setting aside of certain state procurements from normal bidding procedures and placing with small business concerns; exempting new or expanded commercial and industrial facilities of small business concerns from certain taxes; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, strike lines 7 to 32

Page 3, strike lines 1 to 11 and insert

"Subd. 2. "Small business" means a business entity organized for profit, including an individual, partnership, corporation, joint venture, association or cooperative which has its principal place of business in Minnesota and which is not (a) dominant in its field of operation or (b) an affiliate or subsidiary of a business dominant in its field of operation.

Subd. 3. "Socially or economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic disadvantage. This disadvantage may arise from cultural, social or economic circumstances or background, physical location if the person resides or is employed in an area declared as a labor surplus area by the United States department of commerce, or other similar cause.

Subd. 4. "Dominant in its field of operation" means exercising a controlling or major influence in a business activity in which a number of businesses are engaged. In determining if a business is dominant, the following criteria, among others, shall be considered: number of employees; volume of business; financial resources; competitive status or position; ownership or control of materials, processes, patents, license agreements and facilities; sales territory; and nature of business activity. The following businesses shall be deemed dominant in their field of operation:

(a) Manufacturing businesses which employ more than 100 persons and have in the preceding three fiscal years exceeded a total of \$15,000,000 in gross receipts.

(b) General construction businesses which in the preceding three fiscal years exceeded a total of \$6,000,000 in gross receipts.

(c) Specialty construction businesses which in the preceding three fiscal years exceeded a total of \$3,000,000 in gross receipts.

(d) Nonmanufacturing businesses which employ more than 25 persons and have in the preceding three fiscal years exceeded a total of \$3,000,000 in gross receipts.

Subd. 5. "Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in that field of operation, or by partners, officers, directors, majority shareholders, or their equivalent of a business dominant in that field of operation."

Page 3, strike lines 16 to 32

Page 4, strike lines 1 to 8

Page 4, strike lines 13 to 32

Page 5, strike lines 1 to 4

Page 5, line 13, strike everything after the period

Page 5, line 14, strike everything before "The"

Page 5, line 18, strike "Subdivision 1."

Page 5, line 20, strike "business concerns" and insert "businesses"

Page 5, line 20, strike "plant" and insert "facility"

Page 5, line 24, strike "these concerns" and insert "small businesses"

Page 5, line 28, strike everything before the period and insert "an agreement by the commissioner to participate in providing a portion of the loan amount"

Page 6, line 1, after "available" insert "to the applicant"

Page 6, strike lines 2 to 4

Page 6, line 6, strike "90" and insert "50"

Page 6, line 12, strike "\$100,000" and insert "\$25,000"

Page 6, strike lines 13 to 17 and insert:

"(e) The loans shall be made upon such terms and conditions as the commissioner determines to be necessary to accomplish the purposes of this act and to provide reasonable security for repayment of the loan."

Reletter the clauses in sequence

Page 6, strike lines 18 to 22

Page 6, line 27, strike "governor" and insert "commissioner"

Page 6, line 29, strike "governor" and insert "commissioner"

Page 7, line 1, after the period insert "Four members shall be socially or economically disadvantaged persons who are employed by or own small businesses."

Page 7, line 3, strike "6" and insert "5"

Page 7, line 5, strike everything after "3"

Page 7, strike lines 6 to 11

Page 7, line 12, strike everything before "the terms"

Page 7, strike line 16 and insert "The council shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059."

Page 7, line 18, strike "Secretarial" and insert "Necessary staff and administrative"

Page 7, strike lines 21 to 31

Page 8, line 4, strike "and regulations"

Page 8, line 5, strike "6" and insert "5"  
 Renumber the subdivisions in sequence  
 Pages 8 to 14, strike sections 8 to 15  
 Page 14, line 9, strike "REGULATIONS" and insert "RULES"  
 Page 14, line 12, strike "and regulations for its"  
 Page 14, line 13, strike "implementation" and insert "necessary to implement section 6 of this act"  
 Page 14, line 14, strike "Subdivision 1. There is"  
 Page 14, strike lines 15 to 17  
 Page 14, line 18, strike "Subd. 2."  
 Page 14, line 20, strike "\$126,000" and insert "\$63,000"  
 Page 14, line 22, strike "1975" and insert "1976"  
 Renumber the sections in sequence  
 Amend the title as follows:  
 Page 1, line 3, strike everything after the semicolon  
 Page 1, line 4, strike everything before "providing"  
 Page 1, line 6, strike "providing"  
 Page 1, strike lines 7 to 11  
 Page 1, line 12, strike "taxes;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1963 for comparison to companion Senate File, reports the following House File was found identical and recommends the House File be given its Second Reading and substituted for its companion Senate File as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
		1963	1827		

And that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 1837, 2325, 1928, 2470 and 1799 were read the second time.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 1069, 2039, 586, 814 and 1963 were read the second time.

**MOTIONS AND RESOLUTIONS**

Messrs. Stumpf, Chmielewski and O'Neill introduced—

Senate Concurrent Resolution No. 12: A senate concurrent resolution applying to Congress to call a convention to propose a right to life constitutional amendment.

Referred to the Committee on Rules and Administration.

Mr. North moved that the name of Mr. Stassen be added as co-author to S. F. No. 1906. The motion prevailed.

Mr. Lewis moved that S. F. No. 2364, No. 84 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Mr. Lewis moved that S. F. No. 2455, No. 71 on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

The question recurred on the motion of Mr. McCutcheon to reconsider the vote whereby S. F. No. 2099 failed to pass the Senate on March 12, 1976.

The question being taken on adoption of the motion,

And the roll being called, there were yeas 34 and nays 27, as follows:

Those who voted in the affirmative were:

Arnold	Gearty	McCutcheon	Perpich, A. J.	Spear
Borden	Hansen, Baldy	Milton	Perpich, G.	Stokowski
Chenoweth	Humphrey	Moe	Purfeerst	Stumpf
Coleman	Keefe, S.	North	Schaaf	Tennessee
Conzemius	Kleinbaum	Olhoff	Schmitz	Wegener
Davies	Laufenburger	Olson, A. G.	Schrom	Willet
Doty	Lewis	Olson, H. D.	Solon	

Those who voted in the negative were:

Ashbach	Brown	Jensen	Larson	Renneke
Bang	Dunn	Josefson	Merriam	Stassen
Berg	Fitzsimons	Keefe, J.	Nelson	Ueland
Bernhagen	Frederick	Kirchner	Olson, J. L.	
Blatz	Hansen, Mel	Knutson	Patton	
Brataas	Hanson, R.	Kowalczyk	Pillsbury	

The motion prevailed. So the vote was reconsidered.

Mr. Coleman moved that S. F. No. 2099 be placed at the top of General Orders. The motion prevailed.

Mr. Renneke moved that the names of Messrs. Purfeerst and Patton be added as co-authors to S. F. No. 2382. The motion prevailed.

Mr. Laufenburger moved that the report from the Committee on

Transportation and General Legislation, reported March 11, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Laufenburger moved that the foregoing report be now adopted. The motion prevailed.

#### CONFIRMATION

Mr. Laufenburger moved that in accordance with the report from the Committee on Transportation and General Legislation, reported March 11, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

#### ETHICAL PRACTICES BOARD

Roger Noreen, 1684 James Road, Mendota Heights, Dakota County, appointed effective February 18, 1976, for a term expiring April 29, 1976.

Harold Chase, 124 Bedford Street Southeast, Minneapolis, Hennepin County, appointed effective February 18, 1976, for a term expiring April 29, 1978.

The motion prevailed. So the appointments were confirmed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hansen, Baldy moved that the report from the Committee on Labor and Commerce, reported March 11, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hansen, Baldy moved that the foregoing report be now adopted. The motion prevailed.

#### CONFIRMATION

Mr. Hansen, Baldy moved that in accordance with the report from the Committee on Labor and Commerce, reported March 11, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

#### CABLE COMMUNICATIONS BOARD

Arnold W. Aberman, 8900 Minnehaha Circle, St. Louis Park, Hennepin County, appointed effective January 6, 1976, for a term expiring January 1, 1978.

The motion prevailed. So the appointment was confirmed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hansen, Baldy moved that S. F. No. 2560 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Finance. The motion prevailed.

Mr. Coleman moved that S. F. No. 1956 be placed at the top of General Orders. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate take up the Calendar of Ordinary Matters, considering Senate Files. The motion prevailed.

### CALENDAR OF ORDINARY MATTERS

S. F. No. 1822: A bill for an act relating to governmental operations; creating an interstate commission to develop a plan to merge the port authorities at Duluth, Minnesota; and Superior, Wisconsin; appropriating money.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Solon
Ashbach	Dunn	Kirchner	North	Spear
Bang	Fitzsimons	Kleinbaum	Olhoff	Stassen
Berg	Frederick	Knutson	Olson, J. L.	Stokowski
Bernhagen	Gearty	Kowalczyk	Patton	Stumpf
Blatz	Hansen, Baldy	Larson	Perpich, A. J.	Tennessee
Borden	Hansen, Mel	Laufenburger	Perpich, G.	Ueland
Brataas	Hanson, R.	Lewis	Pillsbury	Wegener
Brown	Humphrey	McCutcheon	Purfeerst	Willet
Coleman	Jensen	Merriam	Renneke	
Conzemius	Josefson	Milton	Schaaf	
Davies	Keefe, J.	Moe	Schmitz	

So the bill passed and its title was agreed to.

S. F. No. 1576: A bill for an act relating to retirement; police pensions in cities of Crookston and Thief River Falls.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Nelson	Schmitz
Ashbach	Dunn	Kirchner	North	Solon
Bang	Fitzsimons	Kleinbaum	Olhoff	Spear
Berg	Frederick	Knutson	Olson, A. G.	Stassen
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Stokowski
Blatz	Hansen, Baldy	Larson	Patton	Stumpf
Borden	Hansen, Mel	Laufenburger	Perpich, A. J.	Tennessee
Brataas	Hanson, R.	Lewis	Perpich, G.	Ueland
Brown	Humphrey	McCutcheon	Pillsbury	Wegener
Coleman	Jensen	Merriam	Purfeerst	Willet
Conzemius	Josefson	Milton	Renneke	
Davies	Keefe, J.	Moe	Schaaf	

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS—CONTINUED SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolu-

tions, Mr. Coleman moved that the rules of the Senate be so far suspended as to make General Orders a Special Orders Calendar, with respect to Senate Files, for immediate consideration. The motion prevailed.

### SPECIAL ORDER

S. F. No. 1956: A bill for an act relating to nursing homes; providing for the licensing and inspection of nursing homes; providing for the licensing of nursing home administrators; reorganizing various laws relating to nursing homes and nursing home administrators; clarifying language and making necessary revisions; prescribing civil and criminal penalties; amending Minnesota Statutes 1974, Sections 144.053, Subdivision 3; 144.49, Subdivisions 6 and 7; 144.50; 144.51; 144.55; 144.572; 144.63, Subdivision 2; 144.652; 144.653, Subdivision 1; 144.654; 144.655; 144.656; 144.657; 144.68, Subdivisions 2 and 3; 145.61, Subdivision 4; 145.75; 145.862, Subdivision 4; 245.691, Subdivision 3; 256B.02, Subdivision 2; 256B.30; 256D.18, Subdivision 2; 299F.39, Subdivision 1; 609.231; 626.555, Subdivisions 1, 2 and 7; and Minnesota Statutes, 1975 Supplement, Sections 144.53; 144.571; 145.72, Subdivision 2; 145.74; and 214.01, Subdivision 2; repealing Minnesota Statutes 1974, Sections 144.584; 144.951; 144.953; 144.954; 144.955; 144.9555; 144.956; 144.957; 144.958; 144.959; 144.96; 144.961; 144.962; 144.963; 144.964; and 144.965; and Minnesota Statutes, 1975 Supplement, Section 144.952.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 41 and nays 19, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Kowalczyk	Olson, A. G.	Stumpf
Bang	Dunn	Lewis	Perpich, A. J.	Tennessee
Borden	Gearty	McCutcheon	Perpich, G.	Ueland
Brataas	Hansen, Mel	Merriam	Pillsbury	Wegener
Brown	Humphrey	Milton	Schaaf	Willet
Chenoweth	Keefe, J.	Moe	Schmitz	
Coleman	Keefe, S.	Nelson	Spear	
Conzemius	Kirchner	North	Stassen	
Davies	Knutson	Olhoft	Stokowski	

Those who voted in the negative were:

Berg	Frederick	Josefson	Olson, H. D.	Renneke
Bernhagen	Hansen, Baldy	Kleinbaum	Olson, J. L.	Schrom
Blatz	Hanson, R.	Larson	Patton	Solon
Fitzsimons	Jensen	Laufenburger	Purfeerst	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2025: A bill for an act relating to nursing homes; requiring training for certain nursing assistants.

Mrs. Brataas moved to amend S. F. No. 2025 as follows:

Page 1, line 7, strike "an individual, including but not limited to"

Page 1, line 8, strike "or an" and insert a comma

Page 1, line 8, after "orderly," insert "or other individual performing similar functions,"

Page 1, line 11, after the period insert "The board of nursing may, by rule, establish categories of nursing assistants who are not required to comply with the educational requirements of this act."

Page 1, line 14, after the period insert "The costs of that program deemed by the board of nursing to be minimally necessary to protect the health and welfare of nursing home residents shall be a reimbursable expense for nursing homes under the provisions of Minnesota Statutes, Chapter 256B."

Page 1, line 18, strike "90" and insert "60"

Page 1, strike lines 20 to 22 and insert

"Subd. 3. Violation of this act by a nursing home shall be grounds for the issuance of a correction order to the nursing home by the state board of health. The failure of the nursing home to correct the deficiency or deficiencies specified in the correction order shall result in the assessment of a fine in accordance with the schedule of fines promulgated by rule of the state board of health."

Page 2, strike lines 1 to 5

Amend the title as follows:

Line 3, before the period insert "; providing a penalty"

The motion prevailed. So the amendment was adopted.

S. F. No. 2025: A bill for an act relating to nursing homes; requiring training for certain nursing assistants; providing a penalty.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 42 and nays 17, as follows:

Those who voted in the affirmative were:

Arnold	Borden	Coleman	Dunn	Keefe, J.
Ashbach	Brataas	Conzemius	Frederick	Keefe, S.
Bang	Brown	Davies	Gearty	Kirchner
Blatz	Chenoweth	Doty	Humphrey	Kleinbaum

Knutson	Milton	Perpich, A. J.	Solon	Tennessee
Kowalczyk	Moe	Pillsbury	Spear	Ueland
Laufenburger	Nelson	Purfeerst	Stassen	
Lewis	North	Schaaf	Stokowski	
Merriam	Olson, A. G.	Schmitz	Stumpf	

Those who voted in the negative were:

Berg	Hanson, R.	Olhoft	Patton	Schrom
Bernhagen	Jensen	Olson, H. D.	Perpich, G.	Wegener
Fitzsimons	Josefson	Olson, J. L.	Renneke	Willet
Hansen, Baldy	Larson			

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

#### SPECIAL ORDER

S. F. No. 2173: A bill for an act relating to Minnesota culture; preserving and presenting Minnesota folklife; creating center for study of Minnesota folklife; creating position of state folklorist in the historical society; prescribing powers and duties of the folklorist.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 49 and nays 2, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Keefe, S.	Moe	Schaaf
Ashbach	Doty	Kirchner	Nelson	Solon
Bang	Dunn	Kleinbaum	North	Spear
Bernhagen	Fitzsimons	Knutson	Olhoft	Stassen
Blatz	Gerty	Kowalczyk	Olson, J. L.	Stokowski
Borden	Hansen, Baldy	Larson	Patton	Stumpf
Brataas	Hanson, R.	Laufenburger	Perpich, A. J.	Tennessee
Brown	Humphrey	Lewis	Perpich, G.	Ueland
Coleman	Jensen	Merriam	Pillsbury	Wegener
Conzemius	Keefe, J.	Milton	Renneke	

Messrs. Schrom and Willet voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 60: A bill for an act relating to insurance; providing for the establishment and administration of plans of health insurance to provide certain minimum benefits to all persons in the state; creating a comprehensive health care association; providing a dual option for health care for certain employees; regulating health maintenance organizations' coverage of dental services and conversion privileges; appropriating money; amending Minnesota Statutes 1974, Section 62D.12, by adding a subdivision.

Mr. Conzemius moved to amend S. F. No. 60 as follows:

Page 1, line 15, strike the comma and insert a period

Page 1, strike lines 16 to 18

Page 4, line 14, strike "*insurer or insurers*" and insert "*carrier*"

Page 4, line 15, strike "*carrier*" and insert "*insurer*"

Page 10, line 5, strike "*1978*" and insert "*1979*"

Page 10, line 13, strike "*1979*" and insert "*1980*"

Page 11, line 20, strike "*the health insurance availability act of 1976*" and insert "*this act*"

Page 12, line 6, strike "*the health insurance*" and insert "*this act*"

Page 12, line 7, strike "*availability act of 1976*"

Page 16, line 4, before "*No*" insert "*Except as provided in section 13, subdivision 3,*"

Page 18, line 29, strike "*or*" and insert "*and*"

Page 20, line 17, strike "*requirments*" and insert "*requirements*"

Page 20, line 30, strike "*10*" and insert "*11*"

Page 21, line 29, strike "*and*"

Page 21, line 29, after "*to*" insert "*14, and*"

The motion prevailed. So the amendment was adopted.

Mr. Lewis moved to amend S. F. No. 60, as follows:

Page 20, line 30, after "*Subd.*" strike "*10*" and insert "*11*"

Page 21, line 3, after "*computed*" strike "*and*" and insert a comma

Page 21, line 3, after "*stated*" insert "*and bid*"

Page 21, line 4, after "*separately.*" insert "*No employer shall be required to purchase dental services in combination with other comprehensive health services. An employer may purchase dental services separately.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 60 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Keefe, S.	Nelson	Schaaf
Ashbach	Davies	Kirchner	North	Schmitz
Bang	Doty	Kleinbaum	Olhoft	Schrom
Berg	Dunn	Knutson	Olson, A. G.	Solon
Bernhagen	Fitzsimons	Kowalczyk	Olson, H. D.	Spear
Blatz	Frederick	Larson	Olson, J. L.	Stassen
Borden	Gearly	Laufenburger	Patton	Stokowski
Brataas	Hanson, R.	Lewis	Perpich, A. J.	Stumpf
Brown	Humphrey	Merriam	Perpich, G.	Ueland
Chenoweth	Josefson	Milton	Pillsbury	Wegener
Coleman	Keefe, J.	Moe	Renneke	Willet

Mr. Hansen, Baldy voted in the negative.

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

#### SPECIAL ORDER

S. F. No. 1812: A bill for an act relating to the county of Lake of the Woods; authorizing the county to acquire real estate for and establish and operate a television translator system either within or without the county.

Mr. Arnold moved to amend S. F. No. 1812 as follows:

Page 1, line 7, before "LAKE" insert "KOOCHICHING AND"

Page 1, line 7, strike "COUNTY" and insert "COUNTIES"

Page 1, line 8, strike "STATION" and insert "STATIONS"

Page 1, line 8, strike "COUNTY" and insert "COUNTIES"

Page 1, line 10, after the comma, strike the balance of the line and insert "the county boards of the counties of Koochiching or Lake of the Woods acting singly, jointly, singly with contiguous counties, or jointly with counties contiguous to either county."

Page 1, line 11, strike "Lake of the Woods"

Page 2, line 2, strike "The" and insert "Each"

Page 2, line 6, strike "; provided that no real estate may be acquired or" and insert a period

Page 2, strike lines 7 through 13 and insert the following:

"Sec. 3. [EFFECTIVE DATE.] This act is effective as to each county upon approval by the board of county commissioners of that county and upon compliance with Minnesota Statutes, Section 645.021."

Amend the title as follows:

Line 2, strike "county" and insert "counties"

Line 2, after "Woods" insert "and Koochiching"

Line 3, strike "the" and insert "each"

The motion prevailed. So the amendment was adopted.

S. F. No. 1812: A bill for an act relating to the counties of Lake of the Woods and Koochiching; authorizing each county to acquire real estate for and establish and operate a television translator system either within or without the county.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 54 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Kirchner	Olson, A. G.	Schrom
Ashbach	Doty	Kleinbaum	Olson, H. D.	Solon
Bang	Dunn	Knutson	Olson, J. L.	Spear
Berg	Fitzsimons	Kowalczyk	Patton	Stassen
Bernhagen	Gearty	Larson	Perpich, A. J.	Stokowski
Blatz	Hansen, Baldy	Laufenburger	Perpich, G.	Stumpf
Borden	Hanson, R.	Merriam	Pillsbury	Tennessee
Brataas	Jensen	Moe	Purfeerst	Ueland
Chenoweth	Josefson	Nelson	Renneke	Wegener
Coleman	Keefe, J.	North	Schaaf	Willet
Conzemius	Keefe, S.	Olhoft	Schmitz	

Mr. Frederick voted in the negative.

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

### SPECIAL ORDER

S. F. No. 2284: A bill for an act relating to the counties of Nobles and Rock; authorizing the acquisition of real estate for the operation of television translator systems.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Olson, A. G.	Solon
Ashbach	Dunn	Kirchner	Olson, H. D.	Spear
Bang	Fitzsimons	Kleinbaum	Olson, J. L.	Stassen
Berg	Frederick	Kowalczyk	Patton	Stokowski
Bernhagen	Gearty	Larson	Perpich, A. J.	Stumpf
Blatz	Hansen, Baldy	Laufenburger	Perpich, G.	Tennessee
Borden	Hanson, R.	Merriam	Pillsbury	Ueland
Brataas	Humphrey	Moe	Renneke	Wegener
Coleman	Jensen	Nelson	Schaaf	Willet
Conzemius	Josefson	North	Schmitz	
Davies	Keefe, J.	Olhoft	Schrom	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2053: A bill for an act relating to elections; providing for nonpartisan municipal elections in Duluth; amending Minnesota Statutes 1974, Section 205.17.

Mr. Ashbach moved to amend S. F. No. 2053 as follows:

Page 1, line 9, strike "city" and insert "cities"

Page 1, line 9, after "and" insert "St. Paul, and"

Page 2, line 2, strike "city" and insert "cities"

Page 2, line 2, after "Duluth" insert "and St. Paul"

Page 2, line 25, strike "city"

Page 2, line 26, after "and" insert "St. Paul, and"

Amend the title as follows:

Line 3, after "Duluth" insert "and St. Paul"

The question being taken on adoption of the amendment,

And the roll being called, there were yeas 31 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Olson, J. L.	Stassen
Bang	Fitzsimons	Kirchner	Patton	Ueland
Berg	Frederick	Knutson	Perpich, A. J.	Wegener
Bernhagen	Hansen, Baldy	Kowalczyk	Perpich, G.	
Blatz	Hanson, R.	Larson	Pillsbury	
Brataas	Jensen	Nelson	Renneke	
Chenoweth	Josefson	Olson, H. D.	Schaaf	

Those who voted in the negative were:

Arnold	Gerty	Milton	Schmitz	Tennessen
Borden	Humphrey	Moe	Schrom	Willet
Coleman	Keefe, S.	North	Solon	
Conzemius	Laufenburger	Olhoft	Spear	
Davies	Lewis	Olson, A. G.	Stokowski	
Doty	Merriam	Purfeerst	Stumpf	

The motion prevailed. So the amendment was adopted.

S. F. No. 2053 was then progressed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Ashbach moved that S. F. No. 556 be recalled from the House of Representatives for further consideration.

Mr. Coleman moved that the Senate do now adjourn until 12:00 o'clock noon, Tuesday, March 16, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINETY-FIRST DAY

St. Paul, Minnesota, Tuesday, March 16, 1976

The Senate met at 12:00 o'clock noon and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Dave S. Schneider.

The roll being called, the following Senators answered to their names:

Arnold	Davies	Keefe, S.	Milton	Renneke
Ashbach	Doty	Kirchner	Moe	Schmitz
Berg	Dunn	Kleinbaum	Ogdahl	Solon
Bernhagen	Frederick	Knutson	Olhoft	Spear
Blatz	Gearty	Kowalczyk	Olson, H. D.	Stumpf
Brown	Hansen, Baldy	Larson	Olson, J. L.	Tenessen
Chenoweth	Hanson, R.	Laufenburger	Patton	Ueland
Chmielewski	Humphrey	Lewis	Perpich, A. J.	Wegener
Coleman	Jensen	McCutcheon	Perpich, G.	Willet
Conzemius	Josefson	Merriam	Pillsbury	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

March 12, 1976

The Honorable Alec Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate Files:

S. F. No. 43, An act relating to the city of Minneapolis; amending Minnesota Statutes 1974, Section 462.364; repealing Laws 1963, Chapter 405.

S. F. No. 375, An act relating to city and town government; excluding statutory cities from the application of certain city laws; modifying the application of other laws to conform to the present classification of cities; amending various statutes to reflect the conversion of villages and boroughs to statutory cities; repealing various obsolete provisions of municipal laws; amending Minnesota Statutes 1974, Sections 144.-154; 145.01; 205.07, Subdivision 1; 205.10; 205.11; 205.13; 205.14,

Subdivision 3; 205.15; 205.16; 205.17, Subdivisions 1 and 3; 205.20, Subdivisions 1 and 4; 329.09; 340.20; 366.10; 410.05, Subdivision 1; 412.02, Subdivision 5; 412.022, Subdivision 1; 412.023, Subdivision 5; 412.131; 412.171; 412.191, Subdivision 1; 412.311; 412.571, Subdivisions 1, 4 and 5; 413.02, Subdivisions 1 and 2; 414.09, Subdivision 3; 415.11, Subdivision 1; 427.09; 427.10; 427.11; 427.12; 429.111; 437.02; 440.11; 440.135, Subdivision 1; 446.04, Subdivision 1; 447.05; 451.06; 451.09; 452.01, Subdivision 1; 455.01; 455.05; 455.13; 455.-23; 455.26; 455.27; 455.28; 455.29; 455.30; 455.32; 456.32; 457.13; 458.09, Subdivision 1; 458.20; 458.25; 458.46; 463.04; 465.26; 465.70; 465.71; 471.38, Subdivision 1; 471.69; Chapters 205, by adding a section; 410, by adding a section; and repealing Minnesota Statutes 1974, Sections 118.05; 129.13; 145.02; 197.64; 205.05; 205.-06; 205.07, Subdivision 2; 205.08; 205.09; 205.091; 205.12; 274.013; 275.24; 275.36; 368.12; 368.50 to 368.84; 412.017; 412.022, Subdivisions 2 and 3; 412.191, Subdivision 5; 412.841; 415.031 to 415.07; 416.03; 416.04; 416.08 to 416.15; 418.13 to 418.15; 423.21; 426.09; 426.10; 426.15 to 426.18; 435.05; 435.41; 435.46; 436.02; 436.04; 437.01; 438.03; 438.04; 438.07; 440.12; 440.16 to 440.32; 440.39; 441.10 to 441.20; 441.265 to 441.46; 443.14 to 443.17; 443.20 to 443.25; 444.15; 446.03; 447.08; 447.09; 447.23; 448.04 to 448.16; 448.26 to 448.49; 449.04; 449.05; 449.07; 450.06 to 450.08; 452.01, Subdivision 2; 452.02 to 452.07; 452.18 to 452.20; 453.01 to 453.14; 454.01 to 454.045; 455.02 to 455.04; 455.06 to 455.11; 455.15 to 455.22; 456.01 to 456.15; 456.23; 457.02; 457.12; 458.26 to 458.31; 458.47 to 458.49; 459.08 to 459.13; 461.01; 461.07 to 461.11; 463.05; 465.06 to 465.08; 465.51; 465.52; 465.57; 465.59 to 465.63; 471.01 to 471.04; 471.05 to 471.14; 471.48; 645.44, Subdivision 3a; Chapter 460, as it appears in Minnesota Statutes 1945; Laws 1895, Chapter 239; Laws 1897, Chapter 85; Laws 1901, Chapter 379; Laws 1907, Chapter 22; Laws 1911, Chapter 53; Laws 1913, Chapters 7 and 47; Laws 1915, Chapters 125 and 230, Sections 2 and 3; Laws 1917, Chapter 190; Laws 1919, Chapter 424; Laws 1921, Chapter 30; Extra Session Laws 1935, Chapter 8; Laws 1937, Chapter 198; Laws 1941, Chapter 266, as amended; Laws 1947, Chapter 470 and Laws 1953, Chapter 697.

S. F. No. 830, An act relating to health care; requiring certain insurance policies and health care plans to provide benefits for health care services rendered in free standing ambulatory surgical centers.

Sincerely,  
Wendell R. Anderson, Governor

March 12, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
375		44	March 12	March 12
830		45	March 12	March 12
43		46	March 12	March 12

Sincerely,  
Joan Anderson Growe  
Secretary of State

### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Ogdahl, Tennessen and Hansen, Mel introduced—

S. F. No. 2562: A bill for an act relating to the city of Minneapolis; prohibiting construction of certain buildings near its lakes.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Humphrey introduced—

S. F. No. 2563: A bill for an act relating to the legislature; creating a committee on human and economic development; prescribing duties.

Referred to the Committee on Governmental Operations.

Mr. Arnold, for the Committee on Finance, introduced—

S. F. No. 2564: A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings; appropriating money.

Under the rules of the Senate, laid over one day.

Mr. Arnold, for the Committee on Finance, introduced—

S. F. No. 2565: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature; authorizing issuance of state building bonds; appropriating money; amending Minnesota Statutes 1974, Sections 16.16, Subdivision 2; 16A.28; 137.02, Subdivision 3; repealing Laws 1973, Chapter 778, Section 20.

Under the rules of the Senate, laid over one day.

Mr. Perpich, G. introduced—

S. F. No. 2566: A bill for an act relating to the city of Buhl; police officers membership in the public employees retirement association.

Referred to the Committee on Governmental Operations.

Mr. Perpich, G. introduced—

S. F. No. 2567: A bill for an act relating to appropriations; appropriating funds for construction of a planetarium at Hibbing community college.

Referred to the Committee on Education.

Mr. Perpich, G. introduced—

S. F. No. 2568: A bill for an act relating to aeronautics; providing for the transfer of the Orr airport to local authority.

Referred to the Committee on Local Government.

Mr. Perpich, G. introduced—

S. F. No. 2569: A bill for an act relating to the city of Orr; authorizing the city to issue its general obligation bonds for acquisition and betterment of a municipal fire hall and city hall.

Referred to the Committee on Local Government.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1862 and 1967.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 15, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 2263, 2370, 2396, 2440, 2472, 2012, 2115, 2157, 2315, 2413, 1372, 1955, 2165, 2204, 2230 and 2491.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 15, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1865, 1909, 1944, 2214, 2233 and 2489.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 15, 1976

**FIRST READING OF HOUSE BILLS**

The following bills were read the first time and referred to the Committees indicated.

H. F. No. 2263: A bill for an act relating to game and fish; clothing required during certain seasons; amending Minnesota Statutes 1974, Section 100.29, Subdivision 8; repealing Minnesota Statutes 1974, Section 98.52, Subdivision 5.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 2370: A bill for an act relating to daytime activity centers; renaming them developmental achievement centers; making the necessary revisions in Minnesota Statutes; amending Minnesota Statutes 1974, Sections 252.21; 252.22; 252.23; 252.24, as amended; 252.25; 257.081, Subdivision 10; and Minnesota Statutes, 1975 Supplement, Sections 123.39, Subdivision 13; and 252.26.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1865: A bill for an act relating to crimes; providing increased sentences for persons convicted of certain second or subsequent violations of theft; prescribing penalties; amending Minnesota Statutes 1974, Section 609.52, Subdivision 3.

Referred to the Committee on Judiciary.

H. F. No. 1909: A bill for an act relating to health; prohibiting sale and use of certain chemicals; providing penalties.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1944: A bill for an act relating to the St. Cloud metropolitan transit commission; changing the fiscal year of the commission; increasing the per diem pay of commissioners; amending Laws 1969, Chapter 1134, Section 3, Subdivision 3 and Subdivision 4, as amended.

Referred to the Committee on Rules and Administration.

H. F. No. 2214: A bill for an act relating to motor vehicle registration; providing for waiver of penalty for vehicles in storage; providing an exception for automobiles; amending Minnesota Statutes 1974, Section 168.31, Subdivision 3.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 2233: A bill for an act relating to human services; permitting Otter Tail county to designate a human services board; amending Minnesota Statutes 1974, Section 402.01, Subdivision 1.

Referred to the Committee on Rules and Administration.

H. F. No. 2489: A bill for an act relating to highway traffic regulations; special permits for oversize and overweight vehicles; authorizing an annual permit for refuse compactor vehicles and prescribing maximum loads thereon; providing a fee therefor; redefining farm trucks; amending Minnesota Statutes 1971, Section 168.011, Subdivision 17, as amended; and Minnesota Statutes 1974, Section 169.86, Subdivision 5; repealing Minnesota Statutes 1974, Section 169.831.

Referred to the Committee on Rules and Administration.

H. F. No. 2396: A bill for an act relating to the operation of state government; authorizing the director of the energy agency to appoint a personal secretary; amending Minnesota Statutes 1974, Section 116H.03, Subdivision 3.

Referred to the Committee on Rules and Administration.

H. F. No. 2440: A bill for an act relating to the administration of justice; authorizing judicially imposed fees for county law libraries; amending Minnesota Statutes 1974, Sections 140.26; 140.30; 140.31; and Chapter 140, by adding a section.

Referred to the Committee on Rules and Administration.

H. F. No. 2472: A bill for an act relating to Independent School District No. 624 and Independent School District No. 12; providing for the exchange of territory between the districts.

Referred to the Committee on Rules and Administration.

H. F. No. 2012: A bill for an act relating to retirement; volunteer firemen's lump sum and monthly benefits; amending Minnesota Statutes 1974, Section 69.06.

Referred to the Committee on Governmental Operations.

H. F. No. 2115: A bill for an act relating to retirement; service credit for teachers on parental or maternity leave; authorizing the employment of retired teachers as substitutes; elections to receive a combined service annuity; amending Minnesota Statutes 1974, Chapter 354, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 354.44, Subdivision 1a; and 354A.21.

Referred to the Committee on Governmental Operations.

H. F. No. 2157: A bill for an act relating to public welfare; providing for administrative and judicial review of certain actions and decisions of local welfare agencies; repealing Minnesota Statutes 1974, Sections 256.77; 256B.10; 256B.11; 256D.12; and 256D.40.

Referred to the Committee on Rules and Administration.

H. F. No. 2315: A bill for an act relating to the city of Maple

Grove; authorizing the city of Maple Grove to refund certain temporary improvement bonds.

Referred to the Committee on Metropolitan and Urban Affairs.

H. F. No. 2413: A bill for an act relating to railroads; allowing reduced rates for transportation of solid waste material for reprocessing; amending Minnesota Statutes 1974, Section 218.021, Subdivision 2.

Referred to the Committee on Labor and Commerce.

H. F. No. 1372: A bill for an act relating to waters and drainage; drainage systems; authorizing reconsideration of engineers' and viewers' reports in certain instances; allowing consideration of changed circumstances due to inflation; amending Minnesota Statutes 1974, Section 106.241.

Referred to the Committee on Rules and Administration.

H. F. No. 1955: A bill for an act relating to crimes; exempting prison guards from pistol permit requirements when on duty; amending Minnesota Statutes, 1975 Supplement, Section 624.714, by adding a subdivision.

Referred to the Committee on Rules and Administration.

H. F. No. 2165: A bill for an act relating to education; encouraging post-secondary institutions to grant comparable credit for comparable work at another institution; directing the higher education coordinating board to perform certain duties.

Referred to the Committee on Education.

H. F. No. 2204: A bill for an act relating to collection and dissemination of data; providing definitions; requiring a public document on data collection; authorizing audits of data collection practices and policies; providing for emergency classification in certain situations; amending Minnesota Statutes 1974, Section 15.17, Subdivision 4; and Minnesota Statutes, 1975 Supplement, Sections 15.162, Subdivisions 2a, 4, 5a and 8; 15.163, Subdivisions 1 and 2.

Referred to the Committee on Rules and Administration.

H. F. No. 2230: A bill for an act relating to retirement; approval of benefits and contributions of teachers' retirement associations in cities of the first class; benefits and contributions in the city of Minneapolis; extending social security coverage to and establishing a coordinated retirement program for teachers covered by the Minneapolis teachers retirement fund association; amending Minnesota Statutes 1974, Chapter 355, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 354A.12.

Referred to the Committee on Rules and Administration.

H. F. No. 2491: A bill for an act relating to insurance; establishing a temporary joint underwriting association for medical malprac-

tice insurance; requiring membership; setting standards; providing for appeals, recovery of contributions and reporting of financial conditions; establishing an expiration date.

Referred to the Committee on Labor and Commerce.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk with the exception of S. F. Nos. 2388 and 2075 be now adopted. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2335: A bill for an act relating to child support and paternity; providing for continuing court orders; granting county court jurisdiction; amending Minnesota Statutes 1974, Sections 256.87, Subdivision 1; 256.872; 256.873; 257.253; 257.254; 257.257; 257.259; 257.261, Subdivision 1; 257.29; 393.07, Subdivision 9; and 518.49.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1908: A bill for an act relating to crimes; repealing the law regulating admittance to public dances and the law proscribing holding of public dances at certain hours; repealing Minnesota Statutes 1974, Sections 624.49 and 624.51.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1974, Section 624.42, is amended to read:

624.42 [DANCE HALL.] A public dancing place, as the term is used in sections 624.42 to 624.54, shall be taken to mean any room, place, or space open to public patronage in which dancing, wherein the public may participate, is carried on and to which admission may be had by the public by payment, directly or indirectly, of an admission fee or price for dancing. A public dance, as the term is used in these sections, shall be taken to mean any dance wherein the public may participate by payment, directly or indirectly, of an admission fee or price for dancing, or a fee for a membership in a club, and shall include any manner of holding a dance which may be participated in by the public through the payment of money, directly or indirectly. When used in sections 624.42 to 624.54, the term "intoxicating liquor" and "liquor," "sell" and "sale" shall be given the same meaning, respectively, as is prescribed in Laws 1919, Chapter 453, Section 1, and acts amendatory thereof.

Sec. 2. Minnesota Statutes 1974, Section 624.46, is amended to read:

624.46 [APPLICATIONS.] All applications for such permits shall be made upon blanks furnished by the city, or county, as the case may be, and shall be accompanied by the affidavit of two freeholders and shall affirmatively show by the application and affidavits that the applicant is a person of good moral character and reputation in the community in which he lives and that the applicant has not, within five years prior to the making of the application, been convicted of a felony, gross misdemeanor, or of any of the provisions of sections 624.42 to 624.54, and no such application shall be granted to any person of bad character or who has been so convicted as aforesaid, nor to any person who is keeper of any disorderly house of any kind, ~~nor for any place which has any direct or indirect communication with any room in which intoxicating liquor is sold, given away, or otherwise used,~~ nor for any place having any so-called "private apartments" or "private rooms" furnished or used for any other than legitimate business purposes which adjoin such dancing place or which may be reached by stairs, elevator, or passageway leading from such dancing place. No permit shall be issued under the terms of sections 624.42 to 624.54 unless the governing body or county board is satisfied that the place where the public dance is to be given or held is properly ventilated and equipped with necessary toilets, wash-rooms, lighting facilities, and that such place is not likely to become a public nuisance or detrimental to public morals."

Page 1, line 8, after "Sections" insert "624.48,"

Renumber the sections in sequence

Underline all new language in the bill

Amend the title as follows:

Page 1, line 5, after the semicolon insert "amending Minnesota Statutes 1974, Sections 624.42 and 624.46;"

Page 1, line 5, after "Sections" insert "624.48,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1326: A bill for an act relating to garnishment and execution; amending Minnesota Statutes 1974, Sections 550.04; 550.142; 550.37, Subdivisions 4, 13, 14, 18, 19, and by adding a subdivision; 571.41, Subdivisions 1 and 2, and by adding subdivisions; 571.55, Subdivisions 1 and 2; 571.61, Subdivision 1; 571.67; and Chapters 550, by adding a section; and 571, by adding sections; repealing Minnesota Statutes 1974, Sections 571.47; 571.48; and 571.49.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [CITATION.] Sections 1 to 24 may be cited as the "Minnesota garnishment reform act of 1976."

Sec. 2. Minnesota Statutes 1974, Chapter 181, is amended by adding a section to read:

[181.041] [ASSIGNMENT, SALE OR TRANSFER OF WAGES; NOT EFFECTIVE TO FRUSTRATE GARNISHMENT OR LEVY OF EXECUTION.] *No assignment, sale or transfer, however made or attempted, of any earned or unearned wages or salary is in any manner valid or effectual for the transfer of any salary or wages and should be disregarded if made following service of a Garnishment Exemption Notice and within 10 days prior to the receipt of the first garnishment or execution on a debt or prior to a subsequent garnishment or execution on a debt if there has been no garnishment or execution on that debt for one year.*

Sec. 3. Minnesota Statutes 1974, Section 550.041, is amended to read:

550.041 [EXECUTION OF SMALL MONEY JUDGMENTS ON DEBTS.] *When a judgment creditor proposes to make execution on a judgment debt of not more than \$2,500 from money owed to the judgment debtor by a third party, the execution may be made by the attorney for the judgment creditor or sheriff through a registered or certified letter to the third party containing the information prescribed by section 550.14 a copy of the execution. Upon receipt, the third party shall remit as much of the amount due under section 550.04 as his own debt equals to the sheriff or attorney who shall proceed in all other respects like the sheriff making a similar execution. The attorney shall be allowed no costs from any party other than the judgment creditor for execution in accordance with this section. The attorney making such execution shall endorse thereon partial satisfaction by amount or the total satisfaction and return the original execution to the clerk of that court for filing without charge.*

Sec. 4. Minnesota Statutes 1974, Chapter 550, is amended by adding a section to read:

[550.141] [LEVY ON EARNINGS; INDEBTEDNESS.] *Subdivision 1. Earnings may be levied upon in conformance with the procedures set forth in either sections 550.041 or 550.14 provided, however, the procedures set out in section 14 of this act are followed. Said levy shall attach all indebtedness owing by a third party to the debtor and all non-exempt disposable earnings earned or to be earned in the pay period within which the levy is served. If said levy attaches less than \$10 the third party shall not retain said sum.*

*Subd. 2. Prior to the first levy on earnings in the possession of an employer under this chapter, or prior to a subsequent levy on an individual's earnings in the possession of an employer if there has been no levy on the earnings for one year, the judgment creditor shall comply with the following notice requirements:*

(1) *Serve upon the judgment debtor no less than ten days prior to*

*the service of the execution, a notice that such execution may be served on the debtor's employer. Said notice may be served in the manner permitted by section 571.41 and shall be substantially in the form set out in section 571.41. Bad faith assertion or disregard of a judgment debtor's claim of exemption shall be subject to the procedures, remedies, and penalties set out in section 571.41.*

*(2) Serve upon the judgment debtor's employer with the execution an execution disclosure form, that shall be substantially in the form set out in section 17, subdivision 3 of this act.*

*(3) Serve by mail upon the judgment debtor not later than five days after service is made on his employer, a copy of the execution and copies of all other papers served on the debtor's employer.*

*(4) The notice requirement in clause (1) of this subdivision shall not apply to a levy on wages being held by an employer due to a garnishment served pursuant to chapter 571.*

Sec. 5. Minnesota Statutes 1974, Section 550.142, is amended to read:

550.142 [PUBLIC EMPLOYEES; WAGES, EXECUTION LEVY.] ~~The salary or wages of an officer or employee of a county, city, town, or school district, or of a department of any such subdivision, any public employee or officer~~ may be levied upon and disposed of on execution. Where the person is an officer, the writ shall be served upon the auditor, treasurer, or clerk of the subdivision or department of which he is an officer. Where the person is an employee other than an officer, the writ shall be served upon the person in charge of the office or department in which the employee works.

When payment has been made pursuant to levy, a copy of the execution with certificate of satisfaction shall be delivered to the treasurer as his voucher for such payment.

Sec. 6. Minnesota Statutes 1974, Section 550.37, Subdivision 4, is amended to read:

Subd. 4. All wearing apparel, one watch, household furniture, utensils, household appliances, phonographs, radio and television receivers, and foodstuffs of the debtor and his family, not exceeding \$3,000 in value. *The exemption provided by this subdivision may not be waived except with regard to purchase money security interests.*

Sec. 7. Minnesota Statutes 1974, Section 550.37, Subdivision 13, is amended to read:

Subd. 13. ~~Seventy-five percent of the disposable earnings of any individual for any pay period which may be subjected to attachment, garnishment or the levy of any execution for any services rendered by him for another, or an amount of such wages equal to the following product, whichever is greater: eight times the number of business days and paid holidays, not to exceed five per calendar week, in the pay period times the federal minimum hourly wage prescribed by Section 6 (a) (1) of the Fair Labor Standards Act of 1938, Title 29, United States Code, Section 206 (a) (1); in effect at the time such wages are payable. Dis-~~

posable earnings means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld. *All wages not subject to garnishment by the provisions of section 571.55.* A subsequent attachment, garnishment or levy of execution shall impound only that pay period's non-exempt disposable earnings not subject to a prior attachment, garnishment or levy of execution, but in no instance shall more than an individual's total non-exempt disposable earnings in that pay period be subject to attachment, garnishment or levy of execution. Garnishments shall impound the non-exempt disposable earnings in the order of their service upon the employer. The disposable earnings exempt from garnishment are exempt as a matter of right, whether claimed or not by the person to whom due. Such exemptions may not be waived. Such exempt disposable earnings are payable by the employer when due. *Such exempt disposable earnings shall also be exempt for 20 days after deposit in any financial institution. This 20 day exemption shall also apply to any contractual set-off or security interest asserted by a financial institution in which said earnings are deposited by the individual. In tracing said funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. As used in this section, the term "financial institution" shall include credit unions. Nothing in this paragraph shall be construed to void or supersede any valid assignment of wages made prior to the attachment, garnishment, or levy of execution.*

Sec. 8. Minnesota Statutes 1974, Section 550.37, Subdivision 14, is amended to read:

Subd. 14. *All relief based on need, and the wages or salary of a person who is a recipient of relief based on need, shall be exempt from all claims of creditors including any contractual set-off or security interest asserted by a financial institution. For the purposes of this chapter, relief based on need shall include AFDC, supplemental security income, medical assistance, Minnesota supplemental assistance, and general assistance. The salary or wages of any debtor who is or has been a recipient of relief based on need, or an inmate of a state correctional institution shall, upon his return to private employment after having been a recipient of public relief based on need, or an inmate of a state correctional institution, be exempt from attachment, garnishment, or levy of execution for a period of six months after his return to employment and after all public assistance has been terminated. He may take advantage of such six months salary or wage exemption provisions only once in every three years. The exemption provisions contained in this subdivision shall also apply for 60 days after deposit in any financial institution. In tracing said funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor. Agencies distributing relief and the commissioner of corrections correctional institutions shall, at the request of creditors, inform them whether or not any debtor has been a recipient of relief based on need, or an inmate of a state correctional institution, within such period of six months.*

Sec. 9. Minnesota Statutes 1974, Section 550.37, subdivision 18, is amended to read:

Subd. 18. The exemptions provided for in subdivisions 3 to 15 extend only to debtors who are natural persons having an actual residence in the state.

Sec. 10. Minnesota Statutes 1974, Section 550.37, Subdivision 19, is amended to read:

Subd. 19. The property exempted by subdivisions 2 to 11 is not exempt from attachment, garnishment, or execution in an action for the recovery of the purchase money of the same property. The exemption of the property listed in subdivisions 2, 3 and 5 to 11 may not be waived except by a statement in substantially the following form, in bold face type of a minimum size of 12 points, signed and dated by the debtor at the time of the execution of the contract surrendering the exemption, immediately adjacent to the listing of the property: "I understand that some or all of the above property is normally protected by law from the claims of creditors, and I voluntarily give up my right to that protection for the above listed property with respect to claims arising out of this contract."

Sec. 11. Minnesota Statutes 1974, Section 550.37, is amended by adding a subdivision to read:

Subd. 20. The exemption of funds from creditors' claims, provided by subdivisions 9, 10, 11, and 15, shall not be affected by the subsequent deposit of said funds in a bank or any other financial institution, whether in a single or joint account, so long as said funds can be traceable to their exempt source. In tracing said funds, the first-in first-out method of accounting shall be used. The burden of establishing that funds are exempt rests upon the debtor.

Sec. 12. Minnesota Statutes 1974, Section 571.41, Subdivision 1, is amended to read:

571.41 [GARNISHEE SUMMONS; EXCEPTIONS.] Subdivision 1. In any action in a court of record or justice court for the recovery of money, at any time after default following service of the pleadings upon a party to the main action, unless an answer or reply has been interposed or after the a judgment therein against the defendant, a garnishee summons may be issued against any third person as provided in this chapter. The judgment creditor and judgment debtor shall be so designated and the person against whom the summons issues shall be designated garnishee. Any individual, partnership or corporation within the state having property subject to garnishment may be named as garnishee. Notwithstanding anything to the contrary herein contained, a plaintiff in any action in a court of record or justice court for the recovery of money may issue a garnishee summons before judgment therein if, upon application to the court, it shall appear that defendant is about to take property out of the state which might be necessary to satisfy any judgment awarded plaintiff and if the court shall order the issuance of such summons. If

such an order shall issue such summons and attendant documents shall designate the parties plaintiff and defendant, respectively.

Sec. 13. Minnesota Statutes 1974, Section 571.41, Subdivision 2, is amended to read:

Subd. 2. Garnishment shall be permitted before judgment in the following instances only: Notwithstanding anything to the contrary herein contained, a plaintiff in any action in a court of record for the recovery of money may issue a garnishee summons before judgment therein in the following instances only:

(A) Following by at least 40 days service of the summons and complaint upon the debtor in the main action where judgment by default could be entered pursuant to Rule 55.01(1) of the Minnesota Rules of Civil Procedure; or

(B) If the court shall order the issuance of such summons, if a summons and complaint is filed with the appropriate court and either served on the defendant or delivered to a sheriff for service on the defendant not more than 30 days after the order is signed, and if, upon application to the court it shall appear that:

(1) Defendant is about to take property out of the state which might be necessary to satisfy any judgment awarded plaintiff, or

~~(1)~~ (2) For The purpose of establishing the garnishment is to establish quasi in rem jurisdiction and that

(a) when the defendant is a resident individual having departed from the state with intent to defraud his creditors, or to avoid service, or keeps himself concealed therein with like intent; or

~~(b)~~ the defendant is a resident individual who has departed from the state, or cannot be found therein, or

~~(c)~~ (b) the defendant is a nonresident individual, or a foreign corporation, partnership or association.

~~(2)~~ (3) When The garnishee and the debtor are parties to a contract of suretyship, guarantee, or insurance, because of which the garnishee may be held to respond to any person for the claim asserted against the debtor in the main action.

(4) The creditor has been unable to serve upon the debtor the summons and complaint in the main action because the debtor has been inaccessible due to residence and employment in buildings where access is restricted.

Sec. 14. Minnesota Statutes 1974, Section 571.41, is amended by adding a subdivision to read:

Subd. 4. If the court shall order the issuance of a garnishee summons before entry of judgment, such summons and attendant documents shall designate the parties plaintiff and defendant. To obtain such an order, the creditor shall file an affidavit stating that a cause of action exists, specifying the amount of the claim and the ground

thereof, and setting forth in detail the specific facts upon which the creditor bases his claim of entitlement to garnishment before entry of judgment. Such an order shall provide that a hearing shall be held no later than seven days from the date of service of the garnishee summons for the purpose of determining whether probable cause exists for the continuation of the garnishment, unless the debtor knowingly waives in writing said hearing. Notice of said hearing shall be given to the debtor by such method as shall be prescribed by the court. At said hearing the burden of proving probable cause shall rest upon the creditor.

Sec. 15. Minnesota Statutes 1974, Section 571.41, is amended by adding a subdivision to read:

*Subd. 5. If the garnishee summons is to be used to garnish the earnings of an individual to enforce a judgment, or to garnish earnings prior to entry of judgment pursuant to subdivision 2, clause (A), prior to the first garnishment on any debt or prior to a subsequent garnishment if there has been no garnishment on that debt for one year, the creditor shall serve upon the debtor, no less than ten days prior to the service of the garnishee summons, a notice that such summons may be issued. Said notice shall be substantially in the form set out in this chapter. Said notice shall be served personally, in the manner of a summons and complaint, or by first class mail to the current address of the debtor. Said notice shall inform the debtor that a garnishee summons may be served on the debtor's employer in ten days, and that the debtor may, within that time, cause to be served on the creditor a signed statement under penalties of perjury asserting an entitlement to an exemption from garnishment. Said notice shall further inform the debtor of the wage garnishment exemptions contained in section 550.37, subdivision 14. Said notice shall further advise the debtor of the relief set forth in chapter 571 to which he may be entitled if a creditor in bad faith disregards a valid claim and the fee, costs, and penalty which may be assessed against a debtor who in bad faith falsely claims an exemption or in bad faith takes action to frustrate the garnishment process. If no statement of exemption is received by the creditor within ten days from the service of the notice, he may proceed with the garnishment. Failure of the debtor to serve such a statement shall not constitute a waiver of any right he may have to an exemption. If said statement of exemption is received by the creditor, he may still cause a garnishee summons to be issued; however, if the debtor subsequently asserts his claim of exemption successfully to the court having jurisdiction over the action, and the court finds that the creditor disregarded the claim of exemption in bad faith, the debtor shall be entitled to costs, reasonable attorney fees, actual damages, an amount not to exceed \$100. If in subsequent proceedings which may be brought by the debtor or creditor, the claim is not upheld, and the court finds that it was asserted in bad faith, or if the court finds that the debtor has in bad faith taken action to frustrate the garnishment process, the debtor shall be assessed costs and reasonable attorney fees resulting from said additional proceedings and an amount not to exceed \$100.*

Sec. 16. Minnesota Statutes 1974, Sections 571.41, is amended by adding a subdivision to read:

*Subd. 6. The ten day notice informing a judgment debtor that*

*a garnishee summons may be used to garnish the wages of an individual to enforce a judgment, shall be substantially in the following form:*

STATE OF MINNESOTA )

) ss

County of ) .....Court

.....(Judgment Creditor)

.....(Judgment Debtor)

**Garnishment Exemption Notice**

*The State of Minnesota*

*To the above named Judgment Debtor:*

*Please take notice that a Garnishment Summons may be served upon your employer, without any further court proceedings or notice to you, ten days or more from the date hereof. Your wages may be exempted from garnishment if you are now a recipient of relief based on need, if you have been a recipient of such relief within the last six months, or if you have been an inmate of a correctional institution in the last six months. Relief based on need includes, AFDC, supplemental security income, medical assistance, Minnesota supplemental assistance, and general assistance. It does not include Social Security, unemployment compensation, food stamps, or workers' compensation.*

*If you wish to claim such an exemption, you should fill out the appropriate form below, sign it, and send it to the judgment creditor's attorney and the garnishee.*

*You may wish to contact the attorney for the Judgment Creditor in order to arrange for a settlement of the debt.*

**PENALTIES**

*1. Be advised that even if you claim an exemption, a Garnishment Summons may still be served on your employer. If your wages are garnished after you claim an exemption, you may petition the court for a determination of your exemption. If the court finds that the creditor disregarded your claim of exemption in bad faith, you will be entitled to costs, reasonable attorney fees, actual damages, and an amount not to exceed \$100.*

*2. HOWEVER, BE WARNED if you claim an exemption, the creditor can also petition the court for a determination of your exemption, and if the court finds that you claimed an exemption in bad faith, you will be assessed costs and reasonable attorney's fees plus an amount not to exceed \$100.*

*3. If after receipt of this notice, you in bad faith take action to frustrate the garnishment, thus requiring the creditor to petition the court to resolve the problem, you will be liable to the*

creditor for costs and reasonable attorney fees plus an amount not to exceed \$100.

Dated: .....

(Attorney for) Judgment Creditor

Address

Telephone

I hereby claim under penalty of perjury that my wages are exempt from garnishment because:

(1) ..... I am presently a recipient of relief based on need. (Specify the program, case number, and the county from which relief is being received. There is no limit to the number of times this exemption may be claimed.)

.....	.....	.....
Program	Case Number (if known)	County

(2) ..... I am not now receiving relief based on need, but I have received relief based on need within the last six months. (Specify the program, case number, and the county from which relief has been received.) I am aware that I am not permitted by law to use this exemption for more than one six month period every three years, and that I may be penalized if I violate this law.

.....	.....	.....
Program	Case Number (if known)	County

(3) ..... I have been an inmate of a correctional institution within the last six months, and I have not claimed this exemption within the last three years. (Specify the correctional institution and location.)

.....	.....
Correctional Institution	Location

I hereby authorize any agency that has distributed relief to me or any correctional institution wherein I was an inmate to disclose to the above-named creditor or his attorney whether or not I was a recipient of relief based on need or an inmate of a correctional institution within the last six months.

.....

Judgment Debtor

Address

Sec. 17. Minnesota Statutes 1974, Chapter 571, is amended by adding a section to read:

[571.471] [COURT OF RECORD.] Subdivision 1. [PROCEDURE.] To enforce a judgment arising from an action in a court of record, or, before entry of judgment in those instances permitted, a garnishee summons may be issued by a judgment creditor or his attorney and

shall be served upon the garnishee in the same manner as other summons in that court of record except that service must be personal. The judgment creditor shall serve with the garnishee summons a garnishment disclosure form, which shall be substantially in the form set out in this chapter. The judgment creditor may also serve written interrogatories with the garnishee summons. The garnishee summons shall state that the garnishee shall serve upon the judgment creditor or his attorney within 20 days after service of the garnishee summons, a written disclosure, under oath, of his indebtedness to the judgment debtor and answers to all written interrogatories which are served with the garnishee summons. The judgment creditor shall not require disclosure of an indebtedness to him or property of judgment debtor in the garnishee's possession or under the garnishee's control in excess of 110 percent of the amount of the judgment which remains unpaid. The garnishee summons shall include the full name of the judgment debtor and his place of residence, the amount of the judgment which remains unpaid. The garnishee summons shall also state that the garnishee shall retain property or money in his possession pursuant to this chapter until the judgment creditor causes a writ of execution to be served upon the garnishee or until the judgment debtor authorizes release to the judgment creditor, and shall state that after the expiration of the period of time specified in section 23 of this act from the date of service of the garnishee summons, the garnishee shall release all such retained property and money to the judgment debtor and shall be discharged and relieved of all liability thereon. The garnishee summons shall also state that no employer may discharge any employee because the employee's earnings have been subject to garnishment. The garnishee summons shall further state that any assignment of wages made by the debtor or indebtedness to the garnishee incurred by the debtor within 10 days prior to the receipt of the first garnishment on a debt or prior to a subsequent garnishment on a debt if there has been no garnishment on that debt for one year is void. The garnishee summons shall further state the date of the entry of judgment against the judgment debtor, or in those instances in which there is garnishment before judgment, the garnishee summons shall include for service a copy of the court order permitting said garnishment. A copy of the garnishee summons and copies of all other papers served on the garnishee shall be served by mail upon the judgment debtor not later than five days after service is made upon the garnishee. A single garnishee summons may be addressed to two or more garnishees but shall state whether each is summoned separately or jointly.

Subd. 2. [FORMS, SUMMONS NOTICE, AND AFFIDAVIT.] *The garnishee summons and notice to judgment debtor, together with the affidavit of service, shall be substantially in the following form:*

STATE OF MINNESOTA )

) ss

County of ..... ) .....Court

.....(Judgment Creditor)

.....(Judgment Debtor)

.....(Garnishee)

**Garnishment Summons**

**The State of Minnesota**

**To the above named Garnishee:**

You are hereby summoned and required to serve upon the judgment creditor or his attorney, within 20 days after service of this summons upon you, written disclosure, under oath, setting forth your indebtedness to the judgment debtor.....above named, (Give full name and residence of judgment debtor) and any property, money or effects of said judgment debtor which are in your possession. Your disclosure need not exceed 110 percent of the amount of the judgment creditor's judgment which remains unpaid. Judgment was entered against the judgment debtor on....., in the amount of \$....., and the amount of said judgment which remains unpaid is \$....., you are further hereby required to retain in your possession such property, money and effects in an amount not exceeding 110 percent of the amount of the judgment which remains unpaid. You may not, however, pursuant to this summons, withhold from the debtor any earnings due to the debtor that are exempt from garnishment pursuant to Minnesota Statutes, Section 571.55.

Failure to disclose and withhold in accordance with this summons may render you liable to the judgment creditor for an amount not exceeding the judgment creditor's judgment against the judgment debtor or 110 percent of the amount claimed in the garnishee summons, whichever is smaller.

You shall retain such property, money and effects in your possession until such time as the judgment creditor causes a writ of execution to be served upon you, until the judgment debtor authorizes release to the judgment creditor, or until the expiration of ..... days from the date of service of this summons upon you, when you shall return such property, money and effects to the judgment debtor.

Any assignment of wages made by the judgment debtor or indebtedness to you incurred by the judgment debtor within 10 days prior to the receipt of the first garnishment on a debt or prior to a subsequent garnishment on a debt if there has been no garnishment on that debt for one year is void and should be disregarded.

You are prohibited by law from discharging said judgment debtor because his earnings have been subjected to garnishment.

.....  
**Attorney for Judgment Creditor**  
.....  
**Address**

**Dated:** ....., 19... .

**To:** ..... **Judgment Debtor** .....:

**Sir** .....

**Take notice that a garnishee summons, garnishment disclosure form**

and written interrogatories (strike out if not applicable), which are herewith served upon you, were personally served upon ..... the garnishee ..... named therein, by delivering copies thereof to ....., the said garnishee, and the said garnishee ..... was paid in advance the sum of \$2 fees.

.....  
Attorney for Judgment Creditor

.....  
Address

**AFFIDAVIT OF SERVICE**

STATE OF MINNESOTA )

) ss

County of )

....., being duly sworn upon oath, says that on the ..... day of ....., 19....., at ..... of ..... in said county, ..he served upon the within-named judgment debtor copies of the within garnishee summons, garnishment disclosure form, written interrogatories (strike out if not applicable), and order, together with a notice to said judgment debtor ..... of which the foregoing is a copy, stating that the above-described documents were personally served upon said garnishee ..... signed by ..... Said service was made by depositing in the United States mail at said City of ....., said documents properly enveloped, with postage prepaid, and addressed to:

.....  
Subscribed and sworn to before me

This ..... day of ....., 19....

.....  
Notary Public

....., County, Minnesota.

Sec. 18. Minnesota Statutes 1974, Chapter 571, is amended by adding a section to read:

[571.495] [DISCLOSURE.] *Subdivision 1.* [GARNISHEE TO DISCLOSE.] *Within the time herein limited, the garnishee shall serve upon the judgment creditor or his attorney written answers, under oath, to the questions in the garnishment disclosure form and to any written interrogatories which are served upon the garnishee. The amount of the garnishee's disclosure need not exceed 110 percent of the amount of the judgment creditor's judgment which remains unpaid, after subtracting the total of set-offs, defenses, exemptions, ownerships, or other interest. The garnishment disclosure form and all written interrogatories may be served personally or by mail. If such disclosure is*

by a corporation, it shall be verified by some officer or agent having knowledge of the facts.

Subd. 2. [CONTENTS OF DISCLOSURE.] Such disclosure shall state:

(1) The amount of disposable earnings earned or to be earned within the judgment debtor's pay periods which may be subject to garnishment and all of the garnishee's indebtedness to the judgment debtor.

(2) Whether the judgment creditor held at the time aforesaid the title or possession of or any interest in any personal property or any instruments or papers relating to any such property belonging to the judgment debtor or in which he is interested. If he admits any such interest or any doubt respecting the same, he shall set forth a description of such property and the facts concerning the same, and the title, interest or claim of the judgment debtor in or to the same.

(3) If the garnishee claims any set-off or defense or claim or lien to such disposable earnings, indebtedness or property, he shall disclose the amount and the facts.

(4) Whether the judgment debtor claims any exemption from execution, or any other objection, known to the garnishee or the judgment debtor, against the right of the judgment creditor to apply upon his demand the debt or property disclosed.

(5) If other persons make claims to any disposable earnings, debt or property of the judgment debtor, the garnishee shall disclose the names and addresses of such other claimants and, so far as known, the nature of their claims.

Subd. 3. [FORM OF DISCLOSURE.] A garnishment disclosure form must be served upon the garnishee. The disclosure shall be substantially in the following form:

STATE OF MINNESOTA )  
) ss  
County of ..... ) ..... Court  
.....  
Judgment Creditor  
vs.  
.....  
Judgment Debtor  
and  
.....  
Garnishee

I am the ..... of the garnishee herein, and duly authorized to disclose for said garnishee.

On the . . . . . day of . . . . . , 19 . . . , the time of service of garnishee summons herein on said garnishee, there was due and owing the judgment debtor above named from said garnishee the following:

(1) Earnings. For the purposes of garnishment, "earnings" means compensation paid or payable for personal service whether denominated as wages, salary, commission, bonus or otherwise, and includes periodic payments pursuant to a pension or retirement program. "Disposable earnings" means that part of the earnings of an individual remaining after the deduction from those earnings of amounts required by law to be withheld. If the garnishee summons was served upon you at a time when earnings from a prior completed pay period were owing but not paid, complete the following disclosure for earnings from both that past pay period and the current pay period.

(a) Enter on the line below the amount of disposable earnings earned or to be earned by the judgment debtor within the judgment debtor's pay periods which may be subject to garnishment.

(b) Enter on the line below 40 times the hourly federal minimum wage times the number of work weeks within the judgment debtor's pay periods which may be subject to garnishment. When such pay periods consists of other than a whole number of work weeks, each day of a pay period in excess of the number of completed work weeks shall be counted as a fraction of a work week equal to the number of work days divided by the number of work days in the normal work week.

(c) Enter on the line below the difference obtained (never less than zero) when line (b) is subtracted from line (a).

(d) Enter on the line below 25 percent of line (a).

(e) Enter on the line below the lesser of line (c) and line (d).

(2) Money. Enter on the line below any amounts due and owing the judgment debtor, except earnings, from the garnishee.

(3) Property. Describe on the line below any personal property, instruments or papers belonging to the judgment debtor and in the possession of the garnishee.

(4) Set-off. Enter on the line below the amount of any set-off, defense, lien or claim which the garnishee claims against the amount set forth on lines (1) (e), (2) and (3) above. Allege the facts by which such set-off, defense, lien or claim is claimed. (Any indebtedness to a garnishee-employer incurred by the judgment debtor within 10 days prior to the receipt of the first garnishment on a debt or prior to a

subsequent garnishment on a debt if there has been no garnishment on that debt for one year is void and should be disregarded.)

(5) Exemption. Enter on the line below any amounts or property claimed by the judgment debtor to be exempt from execution.

(6) Adverse Interest. Enter on the line below any amounts claimed by other persons by reason of ownership or interest in the judgment debtor's property. (Any assignment of wages made by the judgment debtor within 10 days prior to the receipt of the first garnishment on a debt or prior to a subsequent garnishment on a debt if there has been no garnishment on that debt for one year is void and should be disregarded. State the names and addresses of such persons and the nature of their claim, if known).

(7) Enter on the line below the total of lines (4), (5) and (6).

(8) Enter on the line below the difference obtained (never less than zero) when line (7) is subtracted from the sum of lines (1) (e), (2) and (3).

(9) Enter on the line below 110 percent of the amount of the judgment creditor's judgment which remains unpaid.

(10) Enter on the line below the lesser of line (8) and line (9). As garnishee, you are hereby instructed to retain this amount only if it is \$10 or more.

Authorized Representative of Garnishee

Title

Subscribed and sworn to before me

This ..... day of ....., 19.....

Notary Public

..... County, Minnesota.

Sec. 19. Minnesota Statutes 1974, Section 571.55, Subdivision 1, is amended to read:

571.55 [LIMITATION ON GARNISHMENT.] Subdivision 1. For the purposes of this section, "earnings" means compensation paid or payable for personal service, whether denominated as wages, salary, commissions, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program. "Disposable earnings" means that part of the earnings of an individual remain-

ing after the deduction from those earnings of amounts required by law to be withheld.

Sec. 20. Minnesota Statutes 1974, Section 571.55, Subdivision 2, is amended to read:

Subd. 2. The maximum part of the aggregate disposable earnings of an individual for any pay period which may be subjected to garnishment may not exceed the lesser of

(a) 25 percent of his disposable earnings for that pay period, or

(b) the amount by which his disposable earnings for that pay period exceeds the following product: eight 40 times the number of business days and paid holidays, not to exceed five per calendar week, in such pay period times the federal minimum hourly wage prescribed by Section 6(a) (1) of the Fair Labor Standards Act of 1938, Title 29, United States Code, Section 206(a) (1), in effect at the time the earnings are payable times the number of work weeks in such pay period. When a pay period consists of other than a whole number of work weeks, each day of that pay period in excess of the number of completed work weeks shall be counted as a fraction of a work week equal to the number of excess work days divided by the number of days in the normal work week.

Sec. 21. Minnesota Statutes 1974, Section 571.61, Subdivision 1, is amended to read:

571.61 [NO DISCHARGE FROM EMPLOYMENT FOR GARNISHMENT OR EXECUTION.] Subdivision 1. [PROHIBITION.] No employer may discharge any employee by reason of the fact that his earnings have been subjected to garnishment unless there have been more than three garnishments within a 90 day period involving more than one indebtedness or execution.

Sec. 22. Minnesota Statutes 1974, Section 571.67, is amended to read:

571.67 [PENALTY IN CERTAIN GARNISHMENT PROCEEDINGS.] Subdivision 1. A party who serves or causes to be served a garnishment summons prior to judgment in the main action, except where garnishment prior to entry of judgment is permitted, is liable to the defendant debtor named in the garnishment proceedings in the amount of \$50, except where the defendant is a nonresident \$100 plus reasonable attorneys' fees and costs.

Subd. 2. The garnishment shall be ineffective and the garnishee shall be discharged and relieved of any liability thereon if the amount garnished and attached is less than \$10. Any garnishment shall lapse and the garnishee thereof shall be discharged and relieved of any liability thereon after the expiration of three years from the date of service of the garnishment summons, providing the garnishee shall have given a 20 day written notice following said three year period, by certified mail to the last known address of the attorney for the garnishing party, or if he has no attorney, to the garnishing party, and within 20 days thereafter neither the garnishing party nor his attorney has objected in writing to said discharge.

Sec. 23. Minnesota Statutes 1974, Chapter 571, is amended by adding a section to read:

[571.68] [GARNISHMENTS AFFECTING LESS THAN TEN DOLLARS.] *If the amount required to be retained by the garnishee is less than \$10, the garnishee shall not retain said sum but shall make the disclosures otherwise required.*

Sec. 24. Minnesota Statutes 1974, Chapter 571, is amended by adding a section to read:

[571.69] [TERMINATION OF GARNISHMENTS.] *Subdivision 1. A garnishee summons shall lapse and the garnishee thereof shall be discharged and relieved of any liability thereon upon the expiration of the following periods of time after service of the summons, or such longer period of time either agreed to in writing by both the judgment creditor and the judgment debtor or ordered by a court:*

(1) *In the instance of a garnishee summons served before entry of judgment, 270 days:*

(2) *In the instance of a garnishee summons served after entry of judgment, 180 days.*

*Subd. 2. Immediately upon the lapse of the garnishee summons, all earnings, money, property, and effects which the garnishee has been retaining pursuant to the garnishment shall be returned to the judgment debtor.*

Sec. 25. [REPEALER.] *Minnesota Statutes 1974, Sections 571.-47,571.48, and 571.49 are repealed."*

Amend the title as follows:

Page 1, line 2, strike "and" and insert a comma

Page 1, line 2, after "execution" insert ", and wage assignment"

Page 1, line 3, strike "550.04" and insert "550.041"

Page 1, line 8, after "Chapters" insert "181, by adding a section;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1728: A bill for an act relating to courts; providing for recovery of attorney's fees in certain situations.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 5, after "1." insert "Minnesota Statutes 1974, Chapter 491, is amended by adding a section to read:

[491.09] [RECOVERY OF ATTORNEY'S FEES.]"

Page 1, line 5, after "court" insert ", on an appeal from the

final judgment of a conciliation court, under this chapter or under chapter 488A."

Page 1, line 7, strike "commenced on action or appealed a" and insert "appealed that"

Page 1, line 8, strike "of any court"

Page 1, line 10, strike "action or"

Underline all new language in the bill

Amend the title as follows:

Page 1, line 2, after "to" insert "conciliation"

Page 1, line 3, before the period, insert "; amending Minnesota Statutes 1974, Chapter 491, by adding a section"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 1951: A bill for an act relating to retirement; police pensions and survivor benefits in cities of the fourth class; amending Minnesota Statutes 1974, Sections 423.55 and 423.58.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 1913: A bill for an act relating to the city of Waseca; authorizing lump sum firemen's service pensions.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

H. F. No. 1918: A bill for an act relating to the city of Shakopee; authorizing an increase in fire department relief association lump sum service benefits.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 1962: A bill for an act relating to the city of Wadena; increasing payments for firemen's relief association service pensions.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 2007: A bill for an act relating to the city of Wayzata; volunteer firemen's service pensions; amending Laws 1973, Chapter 472, Section 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 2321: A bill for an act relating to the city of Sauk Rapids; fireman's lump sum service pensions; amending Laws 1973, Chapter 481, Section 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 2338: A bill for an act relating to the city of Fergus Falls; firemen's service pensions; amending Laws 1971, Chapter 2, Section 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 1967: A bill for an act relating to the city of Rockford; proportionate service pensions and financing requirements of the firemen's relief association.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 595: A bill for an act relating to retirement; authorized expenditures of firemen's relief associations; amending Minnesota Statutes 1974, Section 424.31.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was re-referred

H. F. No. 1870: A bill for an act relating to public employees; administrative expenses of salary deductions for annuity contracts; appropriating funds; repealing Laws 1975, Chapter 433, Section 12.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

H. F. No. 1435: A bill for an act relating to game and fish; taking of animals by falconry; amending Minnesota Statutes 1974, Section 100.27, Subdivision 8.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was re-referred

H. F. No. 925: A bill for an act relating to natural resources, monuments, recreation reserves, and waysides; increasing motor vehicle permit fees; amending Minnesota Statutes 1974, Section 85.05, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 3, strike "*for out state vehicles and*"

Page 2, line 4, strike "*a fee of \$3 for resident vehicles*"

Page 2, line 6, strike "*for out state vehicles and \$1.00 for resident vehicles*"

Page 3, strike lines 13 and 14 and insert "*are effective the day following final enactment.*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

H. F. No. 454: A bill for an act relating to game and fish; seasons and licenses for taking of game; amending Minnesota Statutes 1974, Section 98.46, Subdivisions 2 and 14; and Minnesota Statutes, 1975 Supplement, Section 100.27, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, strike "\$8.50" and insert "\$10.50"

Page 2, line 7, after "deer" strike the comma and insert "or"

Page 2, line 7, strike ", or timber wolf, any or all of"

Page 2, line 8, strike "them,"

Page 2, line 15, strike "or timber wolf, or both"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 1993: A bill for an act relating to education; providing standards for the education of handicapped children; requiring a hearing and appeals process; limiting expenditures to meet federal requirements; amending Minnesota Statutes 1974, Section 120.17, Subdivisions 3 and 4, and by adding subdivisions; and Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 29, strike *"take such steps as may be necessary to"*

Page 3, line 2, strike *"to the extent appropriate"*

Page 4, line 2, after the comma insert *"addition,"*

Page 4, line 5, after *"in"* insert *"at least"*

Page 4, line 5, strike *"or more"*

Page 4, line 6, strike *"conferences"* and insert *"conference"*

Page 4, line 11, after *"after"* insert *"at least"*

Page 4, line 11, strike *"or more"*

Page 4, line 11, strike *"conferences"* and insert *"conference"*

Page 4, line 27, after *"board"* insert *"within ten days"*

Page 5, line 3, strike *"or school board"*

Page 5, line 9, strike *"explain if"* and insert *"state whether"*

Page 5, line 13, strike *"reflect"* and insert *"state"*

Page 5, line 20, after *"of"* strike *"the"* and insert *"that"*

Page 5, line 21, strike *"or the school board"*

Page 5, line 21, after the period insert *"The school board shall be a party to any appeal."*

Page 5, line 25, strike *"; except that"* and insert *". However,"*

Page 5, line 26, after *"decisions"* insert *"issued"*

Page 5, line 28, after *"made"* insert *"if the parent or guardian requests a chapter 15 due process hearing pursuant to this clause at the time the appeal is filed"*

Page 5, line 31, strike *"; provided,"* and insert a period

Page 5, line 32, after *"decisions"* insert *"issued"*

Page 6, line 2, after *"(4),"* insert *"a parent or guardian may, at the time the appeal is filed, request a due process hearing conducted pursuant to the provisions of chapter 15. In that case"*

Page 6, line 3, strike *"a due process"* and insert *"that"*

Page 6, line 3, strike *"conducted"*

Page 6, line 4, strike *"pursuant to the provisions of chapter 15"*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

H. F. No. 1996: A bill for an act relating to education; requiring school boards to take control of all co-curricular school activities; changing the method of accounting for co-curricular and extra curricular activities; describing co-curricular and extra curricular activities; amending Minnesota Statutes 1974, Section 123.38, Subdivisions 1, 2 and 3, and by adding subdivisions.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2388: A bill for an act relating to Independent School District No. 624 and Independent School District No. 12; providing for the exchange of territory between the districts.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, after "(22)" insert "except that portion of the southeast one-quarter (SE  $\frac{1}{4}$ ) thereof which lies east of the part taken by the state of Minnesota for highway purposes"

Page 3, line 3 after "indebtedness" insert ", debt service and capital loans"

And when so amended the bill do pass. Pursuant to Joint Rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2075: A bill for an act relating to retirement; approval of benefits and contributions of teachers' retirement associations in cities of the first class; benefits and contributions in the city of Minneapolis; extending social security coverage to and establishing a coordinated retirement program for teachers covered by the Minneapolis teachers retirement fund association; amending Minnesota Statutes 1974, Chapter 355, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 354A.12.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 354A.12, is amended to read:

354A.12 [STATE PAYMENTS TO RETIREMENT FUND ASSOCIATIONS IN CITIES OF THE FIRST CLASS.] Notwith-

standing any law to the contrary, for taxes levied in 1975 payable in 1976 and thereafter, levies for teachers retirement fund associations in cities of the first class, including levies for any employer social security taxes for teachers covered by a fully or partially coordinated teachers retirement social security fund, are disallowed and the state shall assume the total employer obligation. Effective July 1, 1975 the state shall pay to said retirement fund association an employer contribution equal to the amount, expressed as a percentage of payroll, that the state of Minnesota is required to pay for all contributing members of the state teachers retirement association including social security taxes, in accordance with the provisions of Minnesota Statutes 1974, Section 354A.07, Subdivisions 3, 3a and 4, except that:

(1) employer contributions which are paid to the retirement fund associations pursuant to this section shall be appropriated and remitted directly to said retirement fund associations each month in accordance with the procedures described in section 354.43, Subdivisions 1, 2, and 5; and

(2) with respect to any city of the first class having a fully or partially coordinated teachers retirement fund association, employer social security taxes on salaries paid after June 30, 1975 shall be paid by the state in accordance with the provisions of section 355.46, subdivision 3, clause (b), and employer contributions to said retirement fund association shall be reduced by the amount of such taxes. Effective March 1, 1976, the contribution required to be paid by each *coordinated* member of a teachers retirement fund association in a city of the first class which does have a fully or partially coordinated teachers retirement social security fund shall not be less than four percent of total salary, and the contribution required to be paid by each *basic* member of a teachers retirement fund association in a city of the first class which does not have a fully coordinated teachers retirement social security fund shall not be less than eight percent of total salary. ~~Provided, however, that the changes in the employee contribution to the teachers retirement fund are contingent upon a determination of benefit adjustment by the legislature before March 1, 1976, as provided in this section. After April 1, 1975, no teachers retirement fund association in a city of the first class shall enact any amendment to the bylaws or articles of incorporation; provided, however, that benefits for a teachers retirement fund association in a city of the first class may be increased by special law or general statute. No change in bylaws or articles of incorporation affecting benefits, contributions or actuarial assumptions shall be made without approval by the legislature. Notwithstanding any provision of the articles or bylaws, amendments may be made at the annual meeting called for such purpose, without further local approval.~~

Sec. 2. Minnesota Statutes 1974, Chapter 355, is amended by adding a section to read:

[355.28] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 2 to 10 of this act the terms defined in this section shall have the meanings ascribed to them.*

*Subd. 2. "Enabling act" means the act of this state entitled, "An act to provide for the coverage of certain officers and employees of the state and local governments under the old age and survivors insurance provisions of Title II of the Federal Social Security Act, as amended, and appropriating money therefor" which is codified in Minnesota Statutes, Sections 355.01 to 355.07.*

*Subd. 3. The terms "social security act", "state agency", "employment", "wages", "contribution fund", "Federal Insurance Contributions Act", and "political subdivision" mean as defined in the enabling act.*

*Subd. 4. "Teachers" means all employees of political subdivisions who hold positions covered by the Minneapolis teachers retirement fund association established under the provisions of Minnesota Statutes, Chapter 354A.*

Sec. 3. Minnesota Statutes 1974, Chapter 355, is amended by adding a section to read:

*[355.281] [REFERENDUM.] Pursuant to the provisions of the enabling act the governor shall designate an agency or an individual to supervise a referendum to be held after May 1, 1977, in accordance with the provisions of section 218 (d) (6) (C) of the social security act, for teachers.*

Sec. 4. Minnesota Statutes 1974, Chapter 355, is amended by adding a section to read:

*[355.282] [NOTICE OF REFERENDUM.] The notice of referendum required by section 218 (d) of the social security act which is to be given to the teachers shall contain a statement in such form as the agency or individual designated to supervise the referendum shall deem necessary and sufficient to inform the teachers of the rights which accrue to them under the social security act. The statement shall also inform the teachers of the effect that coverage under the social security act will have on their public retirement program.*

Sec. 5. Minnesota Statutes 1974, Chapter 355, is amended by adding a section to read:

*[355.283] [DIVISION OF MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION.] In accordance with section 218 (d) (6) (C) of the social security act, the state agency shall divide into two divisions or parts the Minneapolis teachers retirement fund association established under the provisions of Minnesota Statutes, Chapter 354A. One division or part of the retirement fund association shall be composed of positions of teachers who desire coverage under an agreement under section 218 (d) of the social security act. The other division or part of the retirement fund association shall be composed of positions of teachers who do not desire coverage under such an agreement. Each division or part shall be deemed to be a separate retirement system for the purposes of section 218 (d) of the social security act. There shall be included in the division or part composed of members desiring such coverage the positions of teachers who*

*become members of the Minneapolis teachers retirement fund association after such coverage is extended; provided, a teacher whose service in a position covered by the retirement fund association commences after the date on which such social security coverage is extended shall be deemed to become a member of the retirement fund association upon the commencement of such service for purposes of this section, notwithstanding the date of any employment contract.*

Sec. 6. Minnesota Statutes 1974, Chapter 355, is amended by adding a section to read :

[355.284] [TRANSFER OF MEMBERS.] *In accordance with section 218 (d) (6) (F) of the social security act, and when the Minneapolis teachers retirement fund association is divided into two divisions or parts, the position of any member of the division or part composed of positions of teachers who do not desire coverage under an agreement under section 218 (d) of the social security act may be transferred to the separate retirement system composed of teachers who desire such coverage; and a modification of agreement between the state and the secretary of health, education, and welfare may so provide, but only if prior to such modification the individual occupying such position files with the state agency a written request for such transfer.*

Sec. 7. Minnesota Statutes 1974, Chapter 355, is amended by adding a section to read :

[355.285] [CERTIFICATION BY GOVERNOR.] *If the governor receives satisfactory evidence that the conditions specified in section 218 (d) (7) of the social security act have been met with respect to the Minneapolis teachers retirement fund association, he shall so certify to the secretary of health, education, and welfare.*

Sec. 8. Minnesota Statutes 1974, Chapter 355, is amended by adding a section to read :

[355.286] [AGREEMENTS WITH FEDERAL AGENCY.] *Upon the governor's certification pursuant to section 7 of this act, the state agency, with the approval of the governor, shall be authorized after June 30, 1977, to enter into an agreement with the secretary of health, education, and welfare, or modify any such agreement previously made with respect to teachers. The agreement or modification shall contain such terms and provisions authorized by the social security act and the enabling act as the state agency finds proper.*

Sec. 9. Minnesota Statutes 1974, Chapter 355, is amended by adding a section to read :

[355.287] [EMPLOYER CONTRIBUTIONS.] *Contributions required under the agreement or modification entered into pursuant to section 8 of this act to be made by political subdivisions employing teachers, and payments required by Minnesota Statutes, Section 355.49, which shall apply to political subdivisions employing teachers, shall be paid by the state.*

Sec. 10. Minnesota Statutes 1974, Chapter 355, is amended by adding a section to read:

[355.288] [EMPLOYEE CONTRIBUTIONS; DEDUCTION FROM WAGES.] *After the date the agreement or modification is entered into pursuant to section 8 of this act, there shall be paid as a deduction from wages an employee contribution in an amount equal to the tax that would be imposed by the Federal Insurance Contribution Act if such service constituted employment within the meaning of that act. Contributions so made shall be paid into the contribution fund in partial discharge of the liability of the state and each political subdivision in respect thereto. Failure to deduct such contribution shall not relieve the employee or the state or the political subdivision of liability therefor.*

Sec. 11. *All teachers retirement fund associations in cities of the first class shall be governed by the provisions of Minnesota Statutes, Chapter 317, except that no association shall be required to amend its articles or bylaws to conform with section 317.08, subdivision 2, clause (3), and the definition contained in section 317.02, subdivision 5, shall have no application thereto. All corporate action of any such association heretofore taken shall be deemed valid if in conformity with either chapter 317, or Revised Laws 1905, Chapter 58, as amended, or both.*

Sec. 12. [MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION; COORDINATED PROGRAM.] *Subdivision 1. There shall be established effective July 1, 1977, a coordinated retirement program within the Minneapolis teachers retirement fund association for teachers eligible for membership in such association who are covered by any agreement or modification made between the state and the secretary of health, education and welfare, making the provisions of the federal old age, survivors and disability insurance act applicable to such teachers. The coordinated retirement program shall provide for employee contributions, retirement annuities, disability benefits, optional survivor annuities, refunds of employee contributions and repayment thereof, age and service requirements, and purchase of credit for military service and sabbatical leave identical in effect to the corresponding provisions applicable to coordinated members of the statewide teachers retirement association contained in Minnesota Statutes, Sections 354.092; 354.35; 354.42, Subdivision 2; 354.44, Subdivisions 1, 4, 5, and 6; 354.45; 354.46, Subdivisions 2 and 3; 354.47, Subdivisions 1, Clause (2), and 2; 354.48; 354.49, Subdivisions 1, 2, 3, and 5; 354.50, Subdivisions 1 and 2; 354.53; and 354.60. Provisions in the articles of incorporation of the Minneapolis teachers retirement fund association pertaining to annual automatic annuity increases, eligibility for membership in the association, and administration of the association, including but not limited to investment of assets, shall apply to coordinated as well as basic members.*

*Subd. 2. The articles of incorporation of the Minneapolis teachers retirement fund association shall be amended as necessary to effect the changes described in subdivision 1, effective July 1, 1977. The adoption of such amendments is hereby approved in accordance with Minnesota Statutes, 1975 Supplement, Section 354A.12.*

**Sec. 13. [MINNEAPOLIS TEACHERS' RETIREMENT FUND ASSOCIATION.]** *Subdivision 1. The following amendments to the articles of incorporation of the Minneapolis Teachers' Retirement Fund Association are hereby approved in accordance with Minnesota Statutes, 1975 Supplement, Section 354A.12.*

*Subd. 2. Subsection (15) of Article IX providing for stock appreciation funded annuity increases may be repealed.*

*Subd. 3. Subsection (11) of Article IX may be amended by providing as an optional alternative to the 1953 Formula Annuity contained in paragraph (b) for all members who have retired or shall retire after May 1, 1974 and who are qualified under paragraph (a), a 1975 Revised Formula Annuity computed as in paragraph (b) except that the percentage used in the computation shall be two and one fourth percent multiplied by not to exceed 30 years of service.*

*Subd. 4. Paragraph (D) of subsection (14) of Article IX may be amended to provide for annual automatic annuity increases of one and one half percent for retired members 65 years of age or older who have been receiving an annuity for not less than 24 months, with the first of such increases to commence on July 1 of the year next following the year in which the retired member attains the age of 65 and 24 months as an annuitant.*

*Subd. 5. Subsection (10) of Article VII may be amended to delete the definition of "required deposit" and to substitute therefor a reference to subsection (3) of Article VIII.*

*Subd. 6. Subsection (3) of Article VIII shall be amended to increase the required deposit by teachers from six and one half percent to eight and one half percent effective July 1, 1976.*

*Subd. 7. Paragraph (c) of subsection (12) of Article IX may be amended to delete reference to the former six and one half percent required deposit.*

*Subd. 8. Subsection (14) of Article IX may be amended by adding a new paragraph (E) providing monthly across the board annuity increases of ten percent of the annual annuity received as of July 1, 1974 to members who were retired and receiving an annuity prior to May 1, 1974 and the beneficiaries of deceased members who were thus qualified other than beneficiaries receiving benefits under paragraph C of subsection (4) of Article IX; paying annuities to certain retired members for 12 months per year instead of ten months; and redesignating the remaining paragraphs accordingly.*

*Subd. 9. The foregoing amendments may be adopted to be effective July 1, 1976.*

**Sec. 14. This act is effective the day following final enactment."**

And when so amended the bill do pass. Pursuant to joint rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred

H. F. No. 2600: A bill for an act relating to highway traffic regulations; license requirements for operating motorcycles; requiring enrollment in two-wheeled vehicle safety course prior to issuance of instruction permit; amending Minnesota Statutes, 1975 Supplement, Section 169.974, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

H. F. No. 1895: A bill for an act relating to highway traffic regulations; brakes; amending Minnesota Statutes 1974, Section 169.67, Subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 2396 for proper reference, recommends that it be referred to the Committee on Governmental Operations.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 2335, 1908, 1728 and 1951 were read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1326, 1913, 1918, 1962, 2007, 2321, 2338, 1967, 595, 1870, 1435, 1993, 1996, 2600 and 1895 were read the second time.

#### **MOTIONS AND RESOLUTIONS**

Mr. Milton moved that his name be stricken as co-author to S. F. No. 2495. The motion prevailed.

Mr. Lewis moved that the name of Mr. Kowalczyk be added as co-author to S. F. No. 2393. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 2:00 o'clock p.m., Wednesday, March 17, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINETY-SECOND DAY

St. Paul, Minnesota, Wednesday, March 17, 1976

The Senate met at 2:00 o'clock p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. William D. Young.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, S.	Ogdahl	Schrom
Arnold	Doty	Kirchner	Olhoft	Sillers
Ashbach	Dunn	Kleinbaum	Olson, A. G.	Solon
Bang	Fitzsimons	Knutson	Olson, H. D.	Spear
Berg	Frederick	Kowalczyk	Olson, J. L.	Stassen
Bernhagen	Gearty	Larson	O'Neill	Stokowski
Blatz	Hansen, Baldy	Laufenburger	Patton	Stumpf
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Tennessee
Brataas	Hanson, R.	McCutcheon	Perpich, G.	Ueland
Brown	Hughes	Merriam	Pillsbury	Wegener
Chenoweth	Humphrey	Milton	Purfeerst	Willet
Chmielewski	Jensen	Moe	Renneke	
Coleman	Josefson	Nelson	Schaaf	
Conzemius	Keefe, J.	North	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Mr. Keefe, J. was excused from the Session of today at 3:20 o'clock p.m. Mr. Chmielewski was excused from the Session of today at 4:00 o'clock p.m.

## INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Arnold introduced—

S. F. No. 2570: A bill for an act relating to appropriations; converting certain open appropriations of dedicated receipts to direct appropriations; abolishing other open appropriations of dedicated receipts; abolishing certain dedicated funds and accounts; appropriating money; amending Minnesota Statutes 1974,

Sections 16A.125, Subdivision 5; 17A.11; 18.411; 18.67; 21.115; 21.116; 21.55; 29.049, Subdivision 1; 29.22, Subdivision 5; 32.394, Subdivision 9; 32B.12; 34.07; 43.31; 69.031, Subdivision 3; 69.55; 84.153; 84.154, Subdivision 5; 84.155, Subdivision 6; 84.86, Subdivision 1; 84A.03; 84A.22; 84A.32, Subdivision 2; 84A.51, Subdivision 4; 84A.52; 84A.53; 86.42, Subdivision 1; 89.035; 89.036; 89.21; 93.283, Subdivision 7; 93.335, Subdivision 4; 94.48; 97.49, Subdivisions 1, 3, 5 and 7; 116C.69, Subdivision 2; 144.175, Subdivision 4; 160.285, Subdivision 3; 163.051, Subdivisions 2 and 3; 168.54, Subdivision 5; 168A.31, Subdivision 1; 192.68, Subdivision 2; 192A.645; 197.02; 197.03; 197.05; 197.06; 246.41, Subdivision 2; 270.077; 296.421, Subdivision 4; 298.22, Subdivisions 1 and 2; 298.221; 299D.03, Subdivision 5; 299F.21; and 344.03, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 31.39; 32A.05, Subdivision 4; 32A.09, Subdivision 6; and 298.244, Subdivision 1; repealing Minnesota Statutes 1974, Sections 16A.125, Subdivision 6; 21.114; 33.10; 33.11; 33.12 to 33.15; 33.171; 84.085; 84A.51, Subdivisions 1, 2 and 3; 84A.54; 84A.55, Subdivision 14; 86.42, Subdivision 2; 94.49; 161.085; 161.231; 162.19; 168.54, Subdivisions 2, 3 and 6; 168A.31, Subdivision 2; 190.28; 197.04; 197.07; 241.25; 246.41, Subdivisions 1 and 3; 360.389; 362.40, Subdivision 13; 424.165; 458.50 to 458.60; and 626.85, Subdivision 2; Minnesota Statutes, 1975 Supplement, Section 241.01, Subdivision 5a; and Laws 1961, Chapter 472, Section 4, as added.

Referred to the Committee on Finance.

Mr. Arnold introduced—

S. F. No. 2571: A bill for an act relating to taxation; providing for the property tax liability of property that loses exempt status; amending Minnesota Statutes 1974, Section 272.02, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. Arnold introduced—

S. F. No. 2572: A bill for an act relating to real estate; limiting assertion of interest in tax forfeited real estate.

Referred to the Committee on Taxes and Tax Laws.

Mr. Brown introduced—

S. F. No. 2573: A bill for an act relating to the fire department relief association and firemen's service pensions in the city of St. Paul Park.

Referred to the Committee on Governmental Operations.

Mr. Chenoweth introduced—

S. F. No. 2574: A bill for an act relating to education; providing for termination procedure to apply to certain athletic coaches;

amending Minnesota Statutes, 1975 Supplement, Section 125.12, Subdivision 4.

Referred to the Committee on Education.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. No. 2344.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 16, 1976

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 11: A senate concurrent resolution relating to joint rules; clarifying use of underscoring in omnibus appropriation bills; amending Joint Rule 17.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 16, 1976

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1308, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1308: A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public use; requiring a substantial beneficial public use to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; appropriating money; amending Minnesota Statutes 1974, Sections 97.481; 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121,

Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections.

Senate File No. 1308 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 16, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 916: A bill for an act relating to historic sites; providing for acquisition, administration and control of additional sites by the Minnesota historical society; appropriating money; amending Minnesota Statutes 1974, Sections 138.025, Subdivision 1, and by adding subdivisions; and 138.53, Subdivision 50; repealing Minnesota Statutes 1974, Sections 85.012, Subdivision 7; and 138.025, Subdivisions 7 and 8.

Senate File No. 916 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 16, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Perpich, A. J. moved that the Senate concur in the amendments by the House to S. F. No. 916 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 916 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, J.	Ogdahl	Schaaf
Arnold	Dunn	Keefe, S.	Olhoft	Schmitz
Ashbach	Fitzsimons	Kirchner	Olson, A. G.	Schrom
Berg	Frederick	Kleinbaum	Olson, H. D.	Sillers
Bernhagen	Gearty	Knutson	Olson, J. L.	Solon
Borden	Hansen, Baldy	Kowalczyk	O'Neill	Spear
Brown	Hansen, Mel	Larson	Patton	Stokowski
Chenoweth	Hanson, R.	Lewis	Perpich, A. J.	Stumpf
Chmielewski	Hughes	McCutcheon	Perpich, G.	Tennessee
Coleman	Humphrey	Milton	Pillsbury	Ueland
Conzenius	Jensen	Moe	Purfeerst	Wegener
Davies	Josefson	North	Renneke	Willet

So the bill, as amended, was repassed and its title was agreed to.

**MESSAGES FROM THE HOUSE—CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1120: A bill for an act relating to flood plain management; providing for a program of grants to local government units for the construction of floodwater retention and retarding structures; appropriating money; amending Minnesota Statutes 1974, Chapter 104, by adding sections.

Senate File No. 1120 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 16, 1976

**CONCURRENCE AND REPASSAGE**

Mr. Josefson moved that the Senate concur in the amendments by the House to S. F. No. 1120 and that the bill be placed on its its repassage as amended. The motion prevailed.

S. F. No. 1120 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Olhoff	Schrom
Arnold	Dunn	Kirchner	Olson, A. G.	Sillers
Ashbach	Fitzsimons	Kleinbaum	Olson, H. D.	Solon
Berg	Frederick	Knutson	Olson, J. L.	Spear
Bernhagen	Gearty	Kowalczyk	O'Neill	Stokowski
Borden	Hansen, Baldy	Larson	Patton	Stumpf
Brataas	Hansen, Mel	Laufenburger	Perpich, A. J.	Tennessen
Brown	Hanson, R.	Lewis	Perpich, G.	Ueland
Chenoweth	Hughes	McCutcheon	Pillsbury	Wegener
Chmielewski	Humphrey	Merriam	Purfeerst	Willet
Coleman	Jensen	Milton	Renneke	
Conzemius	Josefson	Moe	Schaaf	
Davies	Keefe, J.	North	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

**MESSAGES FROM THE HOUSE—CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which

amendments the concurrence of the Senate is respectfully requested:

S. F. No. 429: A bill for an act relating to the Minnesota zoological garden; providing a means of public access to the garden at the time of its opening; directing the department of highways to improve a certain road to provide such public access; and appropriating money.

Senate File No. 429 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 16, 1976

### CONCURRENCE AND REPASSAGE

Mr. Konzemius moved that the Senate concur in the amendments by the House to S. F. No. 429 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 429 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 56 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	Olhoff	Sillers
Arnold	Doty	Kleinbaum	Olson, A. G.	Spear
Ashbach	Dunn	Knutson	Olson, H. D.	Stassen
Berg	Fitzsimons	Kowalczyk	Olson, J. L.	Stokowski
Bernhagen	Frederick	Larson	O'Neill	Stumpf
Borden	Hansen, Mel	Laufenburger	Patton	Tennessee
Brataas	Hanson, R.	Lewis	Perpich, A. J.	Ueland
Brown	Hughes	McCutcheon	Perpich, G.	Wegener
Chenoweth	Humphrey	Merriam	Pillsbury	
Chmielewski	Jensen	Moe	Renneke	
Coleman	Josefson	Nelson	Schaaf	
Konzemius	Keefe, J.	North	Schmitz	

Messrs. Hansen, Baldy; Purfeerst; Schrom and Willet voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a new Conference Committee of five members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 250: A bill for an act relating to the legislature; creating an advisory on the Minnesota legislature; prescribing powers and duties; appropriating money.

There has been appointed as such committee on the part of the House:

Voss; Sabo; Anderson, I.; Haugerud and Carlson, A.

Senate File No. 250 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 16, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 2068, 2117 and 2374.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 16, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1444, 2175 and 2608.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 17, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 101, 1130, 1615, 2019 and 2560.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 16, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 345, 1456, 1576, 1763, 2355, 612, 1866, 1868 and 2152.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 17, 1976

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the Committees indicated.

H. F. No. 2068: A bill for an act relating to hospitals; providing for loans to medical students who agree to practice in the hospi-

tal district; amending Minnesota Statutes 1974, Section 447.34, Subdivision 1; and Chapter 447, by adding a section.

Referred to the Committee on Rules and Administration.

H. F. No. 2117: A bill for an act relating to public welfare; authorizing the assignment of accident insurance proceeds by any recipient of medical assistance; amending Minnesota Statutes, 1975 Supplement, Sections 256B.02, Subdivision 9; 256B.042, by adding a subdivision; and 256B.06, Subdivision 1.

Referred to the Committee on Rules and Administration.

H. F. No. 2374: A bill for an act relating to highway traffic regulation; requiring courts to report to the commissioner of public safety a stay of imposition of sentence granted under provisions of law relating to driving while under the influence of drugs or alcoholic beverages; amending Minnesota Statutes 1974, Sections 169.121, Subdivision 6; and 609.135, Subdivision 3.

Referred to the Committee on Rules and Administration.

H. F. No. 101: A bill for an act relating to insurance; establishing certain compulsory insurance for aircraft; providing penalties; amending Minnesota Statutes 1974, Sections 60A.081; 360.59, by adding a subdivision; 360.91; and Chapter 360, by adding sections.

Referred to the Committee on Rules and Administration.

H. F. No. 1130: A bill for an act relating to the organization, operation and financing of state government; establishing an indirect cost billing system; requiring revolving fund billing rates to be determined by the commissioner of finance; transferring certain powers and duties relating to finance and recordation from and to the department of finance; appropriating money; amending the expense provisions for district court judges; amending Minnesota Statutes 1974, Sections 3.30, Subdivision 2; 15.191, Subdivision 2; 16A.055; 16A.129; 16A.15, Subdivision 3; 16A.17, Subdivisions 1, 4, 5, 6, 7, and by adding a subdivision; 16A.28; 84A.04; 93.12; 276.09; 276.10; 293.10; 348.04; 379.05; 379.07; 379.09; 385.21; 473F.07, Subdivisions 1 and 2; Chapter 16, by adding a section; and Chapter 16A, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 124.28, Subdivision 2; and 484.54; repealing Minnesota Statutes 1974, Sections 3.30, Subdivision 2a; 10.16; 16.141; 16.16; 16.161; 16.164; 16.18; 16.19; 16A.125, Subdivisions 1, 2, 3, 7, 8, 9, and 10; 16A.17, Subdivision 2; and 136.06.

Referred to the Committee on Finance.

H. F. No. 1615: A bill for an act relating to public health; providing for care, medical treatment, and legal rights of live births resulting from abortions.

Referred to the Committee on Rules and Administration.

**H. F. No. 2019:** A bill for an act relating to controlled substances; scheduling certain substances; amending Minnesota Statutes 1974, Section 152.02, Subdivisions 2, 3, 4, 5, and by adding a subdivision.

Referred to the Committee on Rules and Administration.

**H. F. No. 2560:** A bill for an act relating to highway traffic regulations; prescribing the width of vehicles; amending Minnesota Statutes 1974, Section 169.80, Subdivision 2.

Referred to the Committee on Rules and Administration.

**H. F. No. 1444:** A bill for an act relating to retirement; miscellaneous amendments to the judges retirement act; amending Minnesota Statutes 1974, Sections 490.121, Subdivisions 2, 4 and 13; 490.123, Subdivision 1; 490.124, Subdivisions 1, 3, 6, 8, 10, and by adding a subdivision; 490.125, Subdivision 2; 490.132; and Minnesota Statutes, 1975 Supplement, Sections 356.30, Subdivision 3; and 490.124, Subdivisions 2 and 9.

Referred to the Committee on Governmental Operations.

**H. F. No. 2175:** A bill for an act relating to taxation; altering calculation of levy limit base adjustments; amending Minnesota Statutes, 1975 Supplement, Section 275.52, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

**H. F. No. 2608:** A bill for an act relating to the city of Buhl; police officers membership in the public employees retirement association.

Referred to the Committee on Governmental Operations.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of S. F. Nos. 2165, 2018, 1995 and 2188 and H. F. No. 61.

Mr. Arnold from the Committee on Finance, to which was referred

**S. F. No. 2218:** A bill for an act relating to game and fish; increasing certain license fees; amending Minnesota Statutes 1974, Sections 98.46, Subdivisions 2, 4, 7, 8, 9, 14, 15, 16, 17 and 19; 101.44; and Minnesota Statutes, 1975 Supplement, Section 98.46, Subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 24, strike "\$150" and insert "\$50"

Page 6, line 5, after "deer" strike the comma and insert "or"

Page 6, line 5, strike ", or timber wolf, any or all of"

Page 6, line 6, strike "them,"

Page 6, line 9, after "deer" strike the comma and insert "or"

Page 6, line 9, strike ", or timber wolf, any or all of"

Page 6, line 10, strike "them,"

Page 6, line 13, strike "timber wolf" and insert "deer"

Page 7, line 3, strike "\$10" and insert "\$5"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 1995: A bill for an act relating to the state transportation system; creating the Minnesota state transportation fund; appropriating money therefrom for construction and reconstruction of bridges and bridge approaches; authorizing the issuance of state bonds therefor pursuant to article XI of the constitution.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, strike "to"

Page 1, line 24, strike "agencies and subdivisions of the state"

Pages 2 to 4, strike subdivisions 4 to 7 in their entirety and insert:

"Subd. 4. Before disbursement to the commissioner of highways of an appropriation made from the fund the director of the state planning agency shall certify to the commissioner of finance that the project for which the funds are disbursed is consistent with any statewide transportation plan and has been reviewed by the appropriate regional development commission or the metropolitan council as the case may be, for consistency with the long term comprehensive development plans and guides for which that agency is responsible.

Subd. 5. Before disbursement pursuant to section 3, subdivision 1, clause 2, to the commissioner of highways of an appropriation made from the fund, the director of the state planning agency shall certify to the commissioner of finance:

(1) That the project for which the disbursement is made has been reviewed as provided in subdivision 4;

(2) That the project conforms to the program authorized by an appropriation law and rules adopted by the state planning agency consistent therewith; and

(3) That the financing of any estimated cost of the project in excess of the amount of the disbursement is assured by the appropriation of the proceeds of bonds or other funds of the subdivision, or by a grant from 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, and by an irrevocable undertaking, in a resolu-

tion of the governing body of the subdivision, to use all funds so made available exclusively for the project, and to pay any additional amount by which the cost exceeds the estimate through appropriation to the construction fund of additional funds or the proceeds of additional bonds to be issued by the subdivision.

Subd. 6. Any political subdivision may submit to the state planning agency proposals for constructing or reconstructing key bridges located on any highway, street, or road under its authority. The state planning agency shall assign priorities to and determine the amount of money that may be disbursed for any proposed project according to criteria including:

- (1) Effectiveness of the project in eliminating a deficiency in the transportation system;
- (2) Number of persons affected by the deficiency;
- (3) Cost and availability of alternative facilities;
- (4) Effect on optimum land use and other concerns of state and regional planning;
- (5) Availability of alternative financing for the project; and
- (6) Adequacy of provision for proper operation and maintenance after construction.

Procedures for submission and review of proposals and criteria for assigning priorities and determining amounts of disbursements shall be established by rules of the state planning agency.

Subd. 7. The commissioner of highways shall develop rules, standards and criteria, including bridge specifications, in cooperation with road authorities of political subdivisions, for use in the administration of funds disbursed to the commissioner pursuant to section 3, subdivision 1, clause 2. Funds disbursed to the commissioner from the Minnesota state transportation fund shall be segregated from the highway tax user distribution fund and other funds created by article XIV of the constitution."

Page 4, line 22, strike "or subdivisions"

Page 8, line 5, strike "to the following state agencies"

Page 8, line 6, strike "and subdivisions"

Page 8, line 8, strike "the following purposes of"

Page 8, line 9, after "system" insert "as specified herein"

Page 8, line 10, strike "\$300,000,000" and insert "\$150,000,000"

Page 8, line 10, strike "use" and insert "disbursement to"

Page 8, line 11, strike "by"

Page 8, line 14, strike "use by" and insert "disbursement to"

Page 8, line 17, strike "\$160,000,000" and insert "\$80,000,000"

Page 8, line 18, strike "\$50,000,000" and insert "\$25,000,000"

Page 8, line 19, strike "\$90,000,000" and insert "\$45,000,000"

Page 8, line 24, strike "\$600,000,000" and insert \$300,000,000"

Page 8, line 31, strike "and" and insert a comma

Page 8, line 31, after "1" insert ", and section 2, subdivision 3"

Page 8, after line 31, insert

"Subd. 3. There is appropriated to the state planning agency \$50,000 for administrative costs incurred in carrying out the duties prescribed in section 1."

And when so amended the bill do pass. Mr. Tennesen questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 1271: A bill for an act relating to labor and employment; providing for transfer of pension or retirement fund contributions; amending Minnesota Statutes 1974, Section 179.254, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "health" strike "and" and insert a comma

Page 1, line 12, after "welfare" insert "*and pension*"

Page 1, strike line 13

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 2534: A bill for an act relating to Chisago, Isanti, and Pine counties; providing retirement benefits for certain judges.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 2159: A bill for an act relating to the city of Minneapolis; municipal employees survivor benefits; amending Minnesota Statutes 1974, Section 422A.23, Subdivisions 2 and 3; repealing Minnesota Statutes 1974, Section 422A.23, Subdivision 4.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 1891: A bill for an act relating to civil defense; providing for an interstate civil defense and disaster compact; repealing Laws 1951, Chapter 669.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike “, including”

Page 1, strike lines 17 to 18

Page 1, line 19, strike everything before the period

Page 3, line 12, after “state” insert “, when”

Page 3, line 12, after “requested” insert “by another member state”

Page 3, line 12, after “aid” insert a comma

Page 3, line 32, strike “evidencing” and insert “requested to render mutual aid under this compact which evidences”

Page 4, line 5, after “rendered” insert “; provided that this recognition shall only apply to the extent necessary to enable the administration of mutual aid pursuant to this compact”

Page 4, line 9, after “omission” insert “made”

Page 4, line 9, after “faith” insert “and in the exercise of reasonable care”

Page 5, line 1, strike “such” and insert “the recipient”

Page 6, line 20, strike everything after the period

Page 6, strike line 21

Page 7, line 10, strike “Such” at the end of the line

Page 7, strike lines 11 to 14

Page 7, line 23, strike “governor” and insert “state”

Page 7, line 23, after “may” insert “by statute”

Page 7, line 24, strike “he finds that”

Page 7, strike line 32

Page 8, strike lines 1 to 6

Page 9, strike lines 20 to 23

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 746: A bill for an act relating to commerce; requiring prices on certain retail food packages.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, after the period insert "If the product is canned, bottled, boxed or bagged, but sold only in quantities of more than one in the containers in which the product came from the manufacturer or distributor, the price may be marked on the outer containers rather than on each individual item."

Page 1, line 15, strike "\$500,000" and insert "\$750,000"

Page 1, strike lines 16 to 20

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1075: A bill for an act relating to public health; reducing to 17 the age at which a person is eligible to be a blood donor; amending Minnesota Statutes 1974, Section 145.41.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 2442: A bill for an act relating to Minnesota Statutes; restoring certain erroneously omitted language; amending Laws 1975, Chapter 347, Section 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 466: A bill for an act relating to corporations; requiring domestic corporations to file an annual report with the secretary of state; requiring the secretary of state to perform certain duties; providing that corporations that fail to file reports are inactive; permitting corporations and others to utilize the names of inactive corporations; establishing filing fees; appropriating money; amending Minnesota Statutes 1974, Chapter 301 by adding a section; Sections 301.02, by adding a subdivision; 301.05, Subdivision 2; and 301.071, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 301, is amended by adding a section to read:

[301.511] [ACTIVE STATUS REPORT.] *Subdivision 1. Every corporation shall file once with the secretary of state, between*

*July 1, 1977 and June 30, 1980, an active status report. Once said report has been filed by a corporation and accepted by the secretary of state, no further notices shall be mailed to, nor further reports required of, the corporation pursuant to this section. The report shall set forth:*

- (a) The name of the corporation;*
- (b) The address of its registered office in this state;*
- (c) The address of its principal office or business headquarters in this state; and*
- (d) The names and addresses of the corporation's current directors and officers, or if the corporation is in the hands of a receiver or trustee, the name and address of such receiver or trustee.*

*The report shall be made on a form prescribed by the secretary of state, and the information therein contained shall be given as of the date of the execution of the report. The report shall be signed by an officer of the corporation on its behalf or, if the corporation is in the hands of a trustee or receiver, by such trustee or receiver.*

*Subd. 2. Each report filed with and accepted by the secretary of state and accompanied by a filing fee in the amount prescribed in section 301.071, subdivision 2, clause (1), shall be deemed complete. The reports shall be maintained in the office of the secretary of state and shall be available for public inspection at regular business hours.*

*Subd. 3. If any corporation has failed to file the report and pay the fee required by this section on or before June 30, 1980, such corporation shall lose its exclusive right to its corporate name. If that name has, since the date of the loss of the exclusive right to its use, been adopted by another corporation, or if a person, an unincorporated association, or a foreign corporation has signified its intent to procure incorporation in this state under such name in accordance with section 301.05, subdivisions 3 or 4, and if such other corporation, person or unincorporated association does not release the name then it shall be a condition to the continued existence of the corporation which has lost the exclusive right to use of its name by failing to file an active status report as required by this section, that it adopt a new corporate name which shall comply with the provisions of section 301.05.*

**Sec. 2. Minnesota Statutes 1974, Section 301.05, 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 domestic corporation, *except a corporation which has failed to file an active status report as required by section 1 of this act, or of any foreign corporation authorized to do business in this state unless*

*(1) such domestic or foreign corporation is about to change its name, or to cease to do business, or is being wound up, or such foreign corporation is about to withdraw from doing business in this state, and*

(2) the written consent of such other domestic or foreign corporation to the adoption of its name or a deceptively similar name has been given and is filed with the articles of incorporation.

Sec. 3. *The sum of \$76,233 is appropriated to the secretary of state for the purpose of effectuating the provisions of this act.*

Sec. 4. *This act is effective upon final enactment.*"

Further amend the title as follows:

Page 1, line 3, strike "annual" and insert "active status"

Page 1, line 6, strike "are"

Page 1, line 7, strike "inactive" and insert "shall lose exclusive right to their names"

Page 1, line 8, strike "inactive"

Page 1, line 8, after "corporations" insert "which have lost exclusive right to their names"

Page 1, line 11, strike "Sections 301.02, by adding a"

Page 1, line 12, strike "subdivision;" and insert "and Section"

Page 1, line 12, strike "; and 301.071,"

Page 1, line 13, strike "Subdivision 2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

H. F. No. 1471: A bill for an act relating to public improvements; allowing certain fees to discharge cancelled special assessments.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 429.071, is amended by adding a subdivision to read:

*Subd. 4. [RE-ASSESSMENT, TAX FORFEITED LAND.] When a parcel of tax forfeited land is returned to private ownership and the parcel is benefited by an improvement for which special assessments were cancelled because of the forfeiture, the municipality that made the improvement may, upon notice and hearing as provided for the original assessment, make a re-assessment or a new assessment as to the parcel in an amount equal to the amount remaining unpaid on the original assessment.*

Sec. 2. *This act is effective on the day following final enactment ."*

Amend the title by striking it in entirety and inserting:

"A bill for an act relating to local improvements; authorizing a re-

assessment or new assessment as to tax forfeited lands returned to private ownership; amending Minnesota Statutes 1974, Section 429.071, by adding a subdivision.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2165: A bill for an act relating to highway traffic regulation; requiring courts to report to the commissioner of public safety a stay of imposition of sentence granted under provisions of law relating to driving while under the influence of drugs or alcoholic beverages; amending Minnesota Statutes 1974, Section 169.121, Subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 20, insert:

“Sec. 2. Minnesota Statutes 1974, Section 609.135, Subdivision 3, is amended to read:

Subd. 3. The court shall report to the commissioner of public safety any stay of *imposition or* execution granted in the case of a conviction for an offense in which a motor vehicle, as defined in section 169.01, subdivision 3, is used.

Sec. 3. [EFFECTIVE DATE.] *This act is effective on the day following its final enactment.*”

Amend the title as follows:

Page 1, line 8, strike “Section” and insert “Sections”

Page 1, line 8, after “Subdivision 6” insert “; and 609.135, Subdivision 3”

And when so amended the bill do pass. Pursuant to Joint Rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 910: A bill for an act relating to crimes; specifying the acts constituting arson and the possession of certain explosives; providing penalties; amending Minnesota Statutes 1974, Chapters 299F, by adding sections; and 609, by adding sections; repealing Minnesota Statutes 1974, Sections 299F.81; 609.555; 609.56; 609.565; 609.57; 609.575; and 609.61.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 32, after “not,” insert “or any building”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 1892: A bill for an act relating to civil defense; requiring the executive council to declare an emergency when a disaster has occurred or is imminent; requiring the division of emergency service to assist in the provision of relief measures when a disaster occurs and to coordinate interjurisdictional disaster planning; amending Minnesota Statutes 1974, Sections 12.01; 12.02, Subdivision 1; 12.03; and Chapters 9, by adding a section; and 12, by adding sections.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike "*An*" and insert "*A state of*"

Page 1, line 18, after "*disaster*" insert "*as defined in section 4*"

Page 1, lines 18 to 19, strike "*or threat of occurrence*"

Page 1, line 23, strike "*resolution or*"

Page 2, line 2, strike "*resolutions and*"

Page 2, line 5, strike "*, or makes*" and insert "*or make*"

Page 2, line 6, strike "*resolutions*" and insert "*proclamations*"

Page 2, line 8, strike "*resolution or*"

Page 2, line 8, strike "*shall activate*" and insert "*may invoke*"

Page 2, line 11, strike "*be authority for*" and insert "*order, consistent with law,*"

Page 2, line 18, after the second "*the*" insert "*disaster or*"

Page 2, line 18, after "*emergency*" insert "*as defined in section 4*"

Page 2, line 23, strike "*do so*" and insert "*delegate without executive order*"

Page 2, line 26, strike "*Take appropriate action*" and insert "*Discharge the duties of the executive council in order*"

Page 2, line 29, strike "*a proposed proclamation*" and insert "*additional necessary proclamations*"

Page 2, line 31, strike "*all or a*" and insert "*that*"

Page 2, line 32, after "*population*" insert "*whose health and safety are imminently threatened,*"

Page 2, line 32, strike "*any stricken or threatened*" and insert "*the affected*"

Page 2, line 32, strike "*state*" and insert "*disaster as defined in an executive council proclamation*"

Page 3, line 1, strike "*he deems*"

Page 3, line 1, after "*this*" insert "*is*"

Page 3, line 2, strike everything before the semicolon and insert *"prevention of serious injury"*

Page 3, line 5, strike *"a disaster"* and insert *"the affected"*

Page 3, line 14, after *"for"* insert *"a state"*

Page 3, line 14, strike *"declarations"* and insert *"declaration"*

Page 4, line 15, strike *"natural or manmade"*

Page 4, strike line 16

Page 4, line 17, strike *"action"* and insert *"disasters"*

Page 4, line 24, strike *"local governments"* and insert *"political subdivisions"*

Page 4, line 28, after *"prevention"* insert a comma

Page 4, lines 28 to 29, strike *"from disasters"*

Page 5, line 1, strike everything after the first *"and"*

Page 5, line 2, strike *"foreign"* and insert *"interjurisdictional"*

Page 5, line 14, strike *"the occurrence of imminent"*

Page 5, strike lines 15 to 20

Page 5, line 21, strike everything before the period and insert *"a situation which creates an immediate and serious impairment to the health and safety of any person, or a situation which has resulted or is likely to result in catastrophic loss to property, and for which traditional sources of relief and assistance within the affected area are unable to repair or prevent the injury or loss"*

Page 5, lines 23 to 24, strike *"protect life or property and to"*

Page 5, lines 25 to 26, strike *" , including but not limited to managing resources in a crisis"*

Page 5, line 31, strike *"caused by"*

Page 5, strike line 32

Page 6, line 1, strike everything before the period

Page 6, line 25, strike *"disaster"*

Page 7, line 1, strike *"public corporation"* and insert *"metropolitan airports commission"*

Page 7, line 5, strike *"probable enemy attack"* and insert *"an emergency"*

Page 7, line 9, after *"The"* insert *"director of the"*

Page 7, line 11, strike *"may include"* and insert *"shall provide for"*

Page 8, line 3, strike *"necessary matters"* and insert *"activities relating to disaster prevention or mitigation"*

Page 8, lines 4 to 5, strike *"take an integral part"* and insert *"assist"*

Page 8, line 6, strike *"local"* and insert *"political"*

Page 8, line 7, strike *"shall"* and insert *"may"*

Page 8, lines 10 and 31, strike *"their disaster agencies"* and insert *"local organizations for emergency services"*

Page 8, line 12, strike *"Personnel"* and insert *"The division director or his designee"*

Page 8, line 18, strike *"regulations"* and insert *"rules"*

Page 8, lines 19 to 20, strike *"which have the force of law"*

Page 8, line 21, after *"The"* insert *"director of the"*

Page 8, line 24, after *"emergency"* insert *"or disaster"*

Page 8, line 32, after *"interjurisdictional"* insert *"planning and"*

Page 9, line 3, after *"review"* insert *"and comment on"*

Page 9, line 7, after the semicolon insert *"provided, that the director is not empowered by this clause to mandate disclosure by private businesses of trade secrets or other information which the business does not desire to disclose;"*

Page 9, line 8, after *"of"* insert *"and compensation for"*

Page 9, line 9, strike *"and, if"*

Page 9, strike line 10

Page 9, line 11, strike *"conditions agreed upon"* and insert *"in connection with disaster relief"*

Page 9, lines 13 to 14, strike *"prevention of an emergency"* and insert *"disaster"*

Page 9, line 17, after *"disaster"* insert *"or"*

Page 9, line 18, after the second comma, insert *"proposed"*

Page 9, line 19, strike *"regulations"* and insert *"rules"*

Page 9, line 20, after *"with"* insert *"emergencies or"*

Page 9, line 20, after the semicolon insert *"and"*

Page 9, line 23, strike *"; and"* and insert a period

Page 9, strike lines 24 to 25

Page 10, line 7, strike *"The effect of"*

Page 10, line 8, strike *"is to activate"* and insert *"shall invoke necessary portions of"*

Page 10, line 9, strike *"any and all"*

Page 10, line 10, after *"plans"* insert a comma

Page 10, line 10, strike *"to"* and insert *"may"*

Page 10, line 13, after *"by"* insert *"the"*

Page 10, line 14, strike *"pursuant to"* and insert *"under"*

Page 10, line 16, strike *"to"* and insert *"under"*

Page 10, line 29, strike "*local governments*" and insert "*political subdivisions*"

Page 11, line 1, after "*the*" insert "*director of the*"

Page 11, line 4, strike "*it*" and insert "*he*"

Page 11, line 5, strike "*specify the*" and insert "*recommend*"

Page 11, line 5, strike "*the governor. If the*"

Page 11, strike lines 6 to 7

Page 11, line 8, strike "*recommend to*"

Page 11, lines 15, 20, 22, 24 and 32, strike "*local government*" and insert "*political subdivision*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2346: A bill for an act relating to collection and dissemination of data; providing definitions; requiring a public document on data collection; authorizing audits of data collection practices and policies; providing for emergency classification in certain situations; amending Minnesota Statutes 1974, Chapter 15, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 15.162, Subdivisions 2a, 4, 5, 5a and 8; 15.163, Subdivisions 1 and 2, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 12, insert the following:

Section 1. Minnesota Statutes 1974, Section 15.162, is amended by adding a subdivision to read:

"Subd. 1a. "Arrest information" means (a) the name, age, and address of an arrested individual; (b) the nature of the charge against the arrested individual; (c) the time and place of the arrest; (d) the identity of the arresting agency; (e) information as to whether an individual has been incarcerated and the place of incarceration. "Arrest information" does not include data specifically made private, confidential or non-public pursuant to section 260.161 or any other statute."

Page 1, line 16, after "is" insert ":(a)"

Page 1, line 16, after "made" strike ":(a)"

Page 1, line 16, after "public" insert "by statute or federal law applicable to the data"

Page 1, line 17, strike the semicolon

Page 1, line 17, strike ", (b)" and insert "is"

Page 1, line 18, reinstate the stricken language

Page 1, lines 19 to 22, reinstate the stricken language

Page 1, line 23, reinstate "legal action is upon the agency"

Page 1, line 26, strike the new language and insert "*Confidential data on individuals does not include arrest information that is reasonably contemporaneous with an arrest or incarceration.*"

Page 2, strike lines 1 to 12

Page 2, after line 32 insert "*Private data on individuals does not include arrest information that is reasonably contemporaneous with an arrest or incarceration.*"

Page 4, line 5, after "each" insert "category of"

Page 5, line 7, after "data" insert "or types of data"

Page 5, line 8, after "5a," insert "for its own use and for the use of other similar agencies, subdivisions or systems"

Page 5, after line 17, insert the following:

"(b) *That the data on individuals has been treated as either private or confidential by custom of long standing which has been recognized by other similar state agencies or other similar political subdivisions, and by the public;*"

Page 5, line 18, strike "(b)" and insert "(c)"

Page 5, line 19, after "classification" insert "*, which if not granted could adversely affect the health, safety, well-being or reputation of the data subject*"

Page 5, line 20, strike "(c)" and insert "(d)"

Page 5, strike lines 23 to 28 and insert "*If the commissioner grants the emergency classification, it shall be submitted with the complete record relating to the application to the attorney general, who shall review the classification as to form and legality. The attorney general shall, within 20 days, either approve or disapprove the classification.*"

Renumber the subdivisions in sequence

Page 6, line 1, after "10." insert "Section 8 of"

Page 6, line 2, after "enactment." insert "Sections 1 to 7 of this act shall be effective June 1, 1976."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, strike "4,"

Page 1, line 10, after "8" insert ", and by adding a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

H. F. No. 2155: A bill for an act relating to retirement; proportionate annuities for members of various funds; amending Minnesota Statutes, 1975 Supplement, Section 356.32, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, following line 1, insert:

“Sec. 2. Minnesota Statutes 1974, Section 422A.09, Subdivision 3, is amended to read:

Subd. 3. The exempt class shall consist of:

(1) Employees who are members of any other organization or association of the city on behalf of which a tax is levied by the city for the purpose of paying retirement allowances to disabled or superannuated employees.

(2) Persons filling elective position. Provided that any elective officer holding an elective city office, excepting judges of a municipal court, shall, upon written application to the retirement board, be entitled to become a member of the contributing class of the fund, and after becoming a contributor to the fund be entitled to all benefits conferred upon employees of the contributing class except retirement on a service allowance, which shall be granted only upon completion of ten or more years of service.

All retirement allowances shall be computed and determined as provided herein, except that in determining the number of years of service, credit shall be given for time ~~serviced~~ *served* as an elective officer or employee, or member of an executive board or commission or any combination thereof. Persons who have served in elective positions which qualified them for membership in the fund prior to July 1, 1967, and who immediately thereafter hold elective office, first being appointed to that elective office in Hennepin county in which they served as an elected official, may retain or resume membership in the fund as an elective officer of the county. The county shall collect and pay to the retirement fund the employee contribution. The employer cost of allowances and benefits credited to an elected officer as set forth above shall be paid from the county revenue fund by the proper county officials upon certification of such costs by the retirement board in the same manner as prescribed in section 422A.08 for the payment of costs by public corporations. A tax shall be levied by Hennepin county to defray the cost of such retirement allowances which may be in addition to all other taxes levied by the county. Before receiving a retirement allowance, or any other benefit, any person who claims credit for service under this section shall contribute to the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a contributor to the fund since the date he first became eligible for membership in the fund, in accordance with the method of contribution herein provided for, plus four percent compound interest.

(3) Persons serving without pay.

(4) ~~Persons not citizens of the United States,~~

~~(5) Persons who have attained the age of 56, unless such person has past or present service as an employee of the city or any of its boards, departments or commissions or by a public corporation, or in retirement systems as provided in section 422A.16 that will at the time of mandatory retirement equal or exceed ten years, as determined by the retirement board, regardless of the provisions of the veterans preference act or any law, rule or bylaw to the contrary.~~

~~(6) (4) Persons employed on a temporary basis, as laborers, doorkeepers, ticket takers, and attendants at the municipal auditorium, park recreation facilities, or like activities, employed less than 1000 hours, or its equivalent if employed on any other basis than an hourly basis, in any calendar year from January 1 to December 31, inclusive, provided that employees who are contributing members of the fund on July 1, 1959 shall not be affected by the exclusions contained in this section.~~

~~(7) (5) A person who is exempted from the contributing class by Minnesota Statutes 1974, Section 422A.09, Subdivision 3, clauses (4) and (5), but who is employed by and paid, in whole or in part, by the city or any of its boards, departments, or commissions, operated as a department of the city government or independently, if financed in whole or in part by city funds, including any person employed by a public corporation as herein defined, and including any person employed by the Minneapolis school district, each of whom are not a member of any other retirement system, who later becomes a contributing member of the fund may elect to qualify such time for credit by paying into the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a contributor to the fund since the date he first qualified as an exempt member of the contributing class, in accordance with the method of contribution herein provided, plus four percent compound interest.~~

~~(8) (6) Any person who is employed by the city or any of its boards, departments, commissions or a public corporation, as herein outlined, and is excluded from participation in the fund by paragraphs (5) or (6) paragraph (4) shall be separated from the service upon reaching the age of 65 regardless of the provisions of the veterans preference act.~~

Sec. 3. Minnesota Statutes 1974, Section 422A.13, Subdivision 2, is amended to read:

Subd. 2. Subject to the limitations stated in sections 422A.01 to 422A.25, any employee in the contributing class who shall have been employed by the city for ten or more years and shall have attained the established age for retirement, or shall have been employed by the city for 30 or more years all as determined by the retirement board, shall be entitled to retire. Any ~~such~~ employee ~~who shall remain in the service thereafter contributing~~

*class* shall be retired upon reaching the age of 65 regardless of the provisions of the veterans preference act and receive a service allowance as specified in sections 356.30, 356.32, or 422A.01 to 422A.25.”

Page 2, line 2, strike “*the day following final*” and insert “*retroactively to January 1, 1976.*”

Page 2, strike line 3

Renumber the sections

Further, amend the title as follows:

Page 1, line 3, after the semicolon, insert “classification and allowances of Minneapolis city employees;”

Page 1, line 3, after “amending” insert “Minnesota Statutes 1974, Sections 422A.09, Subdivision 3; 422A.13, Subdivision 2; and”

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

H. F. No. 920: A bill for an act relating to recreation; environmental preservation and energy conservation; conserving human and natural resources by promoting health and recreation and abating environmental pollution by encouraging the use of bicycles; providing for a bicycle registration system, and prescribing the powers and duties of the commissioner of public safety in relation thereto; directing the commissioner of public safety to study the use of bicycles on street, highways, bicycle ways and bicycle lanes; prescribing a model bicycle ordinance for political subdivisions; directing the commissioner of natural resources to develop a plan for an interconnecting system of bicycle trails; providing for the construction of bicycle lanes or ways using federal funds; prescribing penalties; and appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 11, strike “23” and insert “19”

Page 2, line 19, after “partnership,” insert “association,”

Page 2, line 29, strike “permanently” and insert “securely”

Page 4, line 17, strike “permanently” and insert “securely”

Page 4, line 25, after “number” insert “or equivalent number designated by the commissioner”

Page 6, line 27, strike “register” and insert “commissioner”

Page 7, line 2, after the period, insert: “Nothing herein shall be construed to prevent the commissioner from contracting any service provided under this act to any private person or entity or other unit of government.”

Page 7, line 6, strike "had such power" and insert "required licensing or registration"

Page 7, line 16, strike "January" and insert "March"

Page 7, lines 18 and 19, strike ". In connection with the maintenance of such records, a political subdivision" and insert "and"

Page 7, line 24, after "Sec. 14." insert "Subdivision 1. [SAFETY REGULATION STUDY.]"

Page 8, line 6, strike "The commissioner shall seek"

Page 8, strike lines 7 and 8

Page 8, after line 12, insert "Subd. 2. [MANDATORY REGISTRATION STUDY.] Before January 15, 1977, the commissioner of public safety shall study and report to the legislature its recommendations for the mandatory registration of all bicycles operated in the state.

Subd. 3. [BICYCLE EDUCATION PROPOSAL.] The state department of education in cooperation with the department of public safety shall develop a proposal for teaching bicycle safety in kindergarten through secondary school, including instruction in on-the-road bicycle operation, and shall propose a timetable for implementation of a bicycle safety program in school districts throughout the state. No later than January 15, 1977, the commissioner of education shall present this proposal to the legislative committees having jurisdiction over the subject along with his recommendation for necessary action."

Page 8, strike line 13 and insert "Sec. 15. [BICYCLE LANES AND WAYS.] Subdivision 1. [DEFINITIONS.] As used in this section,"

Page 8, lines 17 and 20, strike "self-propelled"

Page 8, lines 17 and 20, after "vehicles" insert "propelled by human power"

Page 8, line 18, strike the period and insert "; and"

Page 8, line 21, strike "A bicycle way"

Page 8, strike lines 22 to 24

Page 8, line 25, strike "Sec. 16." and insert "Subd. 2."

Page 8, line 26, strike "Subdivision 1."

Page 8, line 31, after "way" insert "provided that the designation does not destroy a pedestrian way or pedestrian access"

Page 8, line 32, strike "2" and insert "3"

Page 9, line 24, strike "Subd. 3." and insert "Subd. 4. Notwithstanding section 169.14, subdivision 5,"

Page 9, line 27, strike "jurisdiction and" and insert "authority"

Page 9, line 32, after "highway" insert "; as provided by the governing body"

Page 10, line 2, strike "Subdivision 1."

Page 10, line 3, strike "capable of utilization" and insert "used"

Page 10, line 5, after "new" insert ", reconstructed or relocated"

Page 10, line 5, after "highway" strike "or" and insert a comma

Page 10, strike line 6

Page 10, line 7, strike "be the responsibility of"

Page 10, line 7, strike "involved to" and insert "responsible shall replace the destroyed facility or access with a comparable facility or access. Replacement is not required where it would be contrary to public safety or when sparsity of population, other available ways or other factors indicate an absence of need for such facility or access."

Page 10, strike lines 8 to 16.

Page 10, line 17, strike "Subdivision 1."

Page 10, line 21, after "provided in" insert "this section."

Page 10, strike line 22.

Page 10, after line 26, in the center of the page, insert "MODEL BICYCLE ORDINANCE"

Page 10, line 27, strike "Subd. 2." and insert "(1)"

Page 11, line 4, strike "Subd. 3." and insert "(2)"

Page 11, line 5, after "firms" insert ", partnerships, associations"

Page 11, line 24, strike "Subd. 4." and insert "(3)"

Page 11, line 29, strike "Subd. 5." and insert "(4)"

Page 12, line 2, strike "Subd. 6." and insert "(5)"

Page 12, line 10, strike "Subd. 7." and insert "(6)"

Page 13, line 8, strike "Subd. 8." and insert "(7)"

Page 14, line 11, strike "Subd. 9." and insert "(8)"

Page 14, strike section 19 in its entirety.

Page 14, strike lines 26 to 29 and insert:

"Sec. 18. [STATE BICYCLE TRAIL PROGRAM.] The commissioner of natural resources shall develop"

Page 14, line 30, strike "of"

Page 15, line 2, strike "utilize this appropriation to"

Page 15, strike line 13 and insert "include a provision that the"

Page 15, line 18, strike "This appropriation"

Page 15, strike line 19.

Page 15, after line 19, insert:

"Sec. 19. Subdivision 1. There is appropriated to the commissioner of public safety from the general fund \$243,000 to carry out the purposes of sections 1 to 14. This appropriation shall be available until June 30, 1977. The commissioner may exercise all powers necessary and convenient to apply for, accept and disburse federal money for the purposes of this act, and shall seek federal moneys for those purposes when available.

Subd. 2. There is appropriated to the commissioner of natural resources \$100,000 from the general fund to implement the state-wide bicycle trail program provided in section 18. This appropriation shall be available until June 30, 1977."

Page 15, line 20, strike "Sec. 21." and insert "Subd. 3."

Page 15, line 22, strike "for the biennium ending" and insert: "to be used exclusively to match available federal money"

Page 15, strike line 23

Page 15, line 26, strike "Of the 30 percent state contribution, 20 percent" and insert: "This appropriation is available until June 30, 1977. The political subdivisions in which any lane or way is constructed shall appropriate to the state an amount of money equal to two-thirds of the state share of the construction cost, or in lieu thereof shall provide in kind contributions equal in value to two-thirds of the construction costs."

Page 15, strike lines 27 to 31 and insert: "In constructing these bicycle ways and trails the commissioner of highways shall give due consideration to standards for bicycle and recreational vehicle lanes promulgated pursuant to"

Page 15, line 32, strike "plan" and insert "program"

Page 16, line 2, strike "20" and insert "18"

Renumber the sections in sequence.

Further, amend the title as follows:

Page 1, line 12, after "lanes;" insert: "directing the commissioner of education to submit a proposal for bicycle safety education;"

Page 1, line 15, strike "plan" and insert "program"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred

H. F. No. 1284: A bill for an act relating to aeronautics; providing for airport zoning regulation by municipalities and joint airport zoning boards; amending Minnesota Statutes 1974, Sections 360.063, Subdivisions 1, 3, and 5, and by adding a subdivision; 360.067, Subdivision 4; 360.069; and 360.071, Subdivision 2; repealing Minnesota Statutes 1974, Section 360.063, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 to 3, strike Sec. 2

Page 3, strike Sec. 3

Pages 3 to 4, strike Sec. 4, and insert:

“Sec. 2. Minnesota Statutes 1974, Section 360.063, Subdivision 3, is amended to read:

Subd. 3. [HAZARD AREAS OUTSIDE OWNING MUNICIPALITY.]

(1) [REQUEST OF ZONING MUNICIPALITY.] *Where an airport is owned or controlled by a municipality and any airport hazard area appertaining to such airport is located within the territorial limits of another county or municipality, the municipality owning or controlling the airport may request any county or municipality in which an airport hazard area is located:*

(a) *To adopt and enforce airport zoning regulations for the area in question that conform to minimum standards prescribed by the commissioner pursuant to subdivision 4; or*

(b) *To join in creating a joint airport zoning board pursuant to clause (2) of this subdivision. The owning or controlling municipality shall determine which of these actions it shall request.*

(2) [JOINT AIRPORT ZONING BOARD.] *Where an airport is owned or controlled by a municipality and any airport hazard area appertaining to such airport is located outside within the territorial limits of the another county or municipality, the municipality owning or controlling the airport and the county or other municipality within which the airport hazard area is located may, by ordinance or resolution duly adopted, create a joint airport zoning board, which board shall have the same power to adopt, administer, and enforce airport zoning regulations applicable to the airport hazard area in question as that vested by subdivision 1 in the municipality within which such area is located. Each such joint board shall have as members two representatives appointed by the municipality owning or controlling the airport and two from the county or municipality, or in case more than one county or municipality is involved two from each county or municipality, in which the airport hazard is located, and in addition a chairman elected by a majority of the members so appointed.*

(3) [FAILURE TO ACT ON REQUEST.] *If any county or municipality fails within 60 days to adopt, or thereafter fails to enforce, such zoning regulations or to join in creating a joint airport zoning board as requested by the owning or controlling municipality, pursuant to clause (1), the owning or controlling municipality, or a joint airport zoning board created without participation by all subdivisions in which airport hazard areas are located, may itself adopt, administer, and enforce airport zoning regulations for the airport hazard area in question. In the event of conflict between such regulations and any airport zoning regula-*

tions adopted by the county or municipality within which the airport hazard area is located, the regulations of the municipality owning or controlling the airport or the joint zoning board shall govern and prevail.

(4) "Owning or controlling municipality," as used in this subdivision, includes:

(a) A joint airport operating board created pursuant to section 360.042 that has been granted all the powers of a municipality in zoning matters under the agreement creating the board;

(b) A joint airport operating board created pursuant to section 360.042 that has not been granted zoning powers under the agreement creating the board, provided that such a board shall not itself adopt zoning regulations nor shall any joint airport zoning board created at its request adopt zoning regulations unless all municipalities that created the joint operating board join to create the joint zoning board; and

(c) A metropolitan airports commission.

(5) A metropolitan airports commission may request creation of one joint airport zoning board for each airport or for the entire system of airports operated under its authority."

Page 5, line 5, strike "municipality and county" and insert "municipalities and counties"

Page 5, line 6, strike "the director and"

Page 5, line 6, strike "of" and insert "appointed by"

Page 5, line 9, strike "administrative"

Page 5, line 26, strike "chosen" and insert "appointed by the commission"

Page 6, line 4, strike "Subdivision 2, is" and insert "Subdivisions 2 and 5, are"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 2, strike "providing for airport" and insert:

"prescribing powers of certain political subdivisions to create joint airport zoning boards; prescribing powers of joint airport zoning boards; providing for appointment of zoning permit issuing agency and board of adjustment by metropolitan airports commission"

Page 1, strike line 3

Page 1, line 4, strike everything before the semicolon

Page 1, line 5, strike everything after "1" and insert "and 3;"

Page 1, line 6, strike everything before "360.067"

Page 1, strike line 9, and insert "Subdivisions 2 and 5."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2353: A bill for an act relating to crimes; criminal sexual conduct; amending Minnesota Statutes 1974, Sections 246.43, Subdivision 1; 609.195; 609.293, Subdivision 5; Minnesota Statutes, 1975 Supplement, Sections 609.11, Subdivision 1; 609.341, Subdivision 10; 609.345; repealing Minnesota Statutes 1974, Section 609.293, Subdivisions 2, 3, and 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 9 insert

"Section 1. Minnesota Statutes 1974, Section 192A.605, is amended to read:

192A.605 [GENERAL ARTICLE.] Though not specifically mentioned in this code, all disorders and neglects to the prejudice of good order and discipline in the state military forces, of which persons subject to this code may be guilty, shall be taken cognizance of by a general, special, or summary court-martial, according to the nature and degree of the offense, and shall be punished at the discretion of that court. However, cognizance may not be taken of, and jurisdiction may not be extended to, the crimes of murder, manslaughter, rape, robbery, maiming, *sodomy criminal sexual conduct in the first, second or third degree*, arson, extortion, assault, burglary or housebreaking, jurisdiction of which is reserved to civil courts.

Sec. 2. Minnesota Statutes 1974, Section 241.51, Subdivision 2, is amended to read:

Subd. 2. As used in sections 241.51 to 241.53, a "sexual attack" means any ~~non-consensual act of rape, sodomy, or indecent liberties conduct prohibited by sections 609.342 to 609.345.~~

Page 4, after line 26, insert

"Sec. 9. Minnesota Statutes, 1975 Supplement, Section 609.346, Subdivision 1, is amended to read:

609.346 [SUBSEQUENT OFFENSES.] Subdivision 1. If a person is convicted of a second or subsequent offense under sections 609.342 to 609.346 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; provided, however, that the court may invoke the provisions of section 609.135, if a specific condition of the probationary term under section 609.135 includes the successful completion of a treatment program for anti-social sexual behavior, and such. *Any person incarcerated under this section*

*who has not successfully completed a treatment program for sexual-offenders shall not be eligible for parole from imprisonment until he shall either have served the full minimum sentence herein provided, or until he shall have successfully completed a treatment program for anti-social sexual behavior as herein provided except that a person may be paroled for treatment in a program for sexual offenders, notwithstanding the provisions of sections 242.19, 243.05, 609.11, 609.12 and 609.135.*

Sec. 10. Minnesota Statutes, 1975 Supplement, Section 624.712, Subdivision 5, is amended to read:

Subd. 5. "Crime of violence" includes murder in the first degree, murder in the second degree, murder in the third degree, manslaughter in the first degree, manslaughter in the second degree, aiding suicide, aiding attempted suicide, aggravated assault, use of drugs to injure or to facilitate crime, simple robbery, aggravated robbery, kidnapping, false imprisonment, ~~aggravated rape, rape, aggravated sodomy~~ *criminal sexual conduct in the first, second or third degree*, felonious theft, aggravated arson, riot, burglary, reckless use of a gun or dangerous weapon, intentionally pointing a gun at or towards a human being, setting a spring gun, and unlawfully owning, possessing, or operating a machine gun, and an attempt to commit any of these offenses, as each of those offenses is defined in chapter 609.

"Sec. 11. Minnesota Statutes, 1975 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 the child's parents, guardian, or person responsible for the child's care, to any act which constitutes a violation of sections ~~609.201, 609.202, 609.293, 609.295, or 609.296~~ *609.342 to 609.345*.

(b) "Neglected child" shall have the meanings defined in section 260.015, subdivision 10. Nothing in this section shall be construed to mean that a child is neglected solely because a child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child.

(c) "Physical abuse" means:

(i) Any physical injury inflicted by a parent, guardian or other person responsible for the child's care on a child other than by accidental means; or

(ii) Any physical injury that cannot reasonably be explained by the history of injuries provided by the parent, guardian or other person responsible for the child's care.

(d) "Report" means any report received by the local welfare agency pursuant to this section.

Sec. 12. Minnesota Statutes 1974, Section 626A.05, Subdivision 2, is amended to read:

Subd. 2. [OFFENSES FOR WHICH INTERCEPTION OF WIRE OR ORAL COMMUNICATION MAY BE AUTHORIZED.] A warrant authorizing interception of wire or oral communications by investigative or law enforcement officers may only be issued when such interception may provide evidence of the commission of any criminal felony offense involving murder, manslaughter, aggravated assault, aggravated robbery, kidnapping, ~~aggravated rape~~ *criminal sexual conduct in the first or second degree*, prostitution, bribery, perjury, theft, receiving stolen property, embezzlement, burglary, forgery, aggravated forgery, gambling, and offenses relating to controlled substances, or an attempt or conspiracy to commit any such offense or said offenses, as punishable under sections 609.185, 609.19, 609.195, 609.20, 609.225, 609.245, 609.25, 609.291, 609.32, subdivisions 1, 2, and 3, 609.42, 609.48, 609.52, 609.53, 609.54, 609.58, 609.625, 609.63, 609.76, 609.825, and Chapter 152.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after “Sections” insert “192A.605; 241.51, Subdivision 2;”

Page 1, line 4, after the last semicolon insert “626A.05, Subdivision 2;”

Page 1, line 7, after the semicolon insert “609.346, Subdivision 1; 624.712, Subdivision 5; 626.556, Subdivision 2;”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 1143: A bill for an act relating to public health; providing that chiropractic colleges shall be entitled to receive cadavers for the purpose of anatomical study; amending Minnesota Statutes 1974, Sections 145.14 and 525.923.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2018: A bill for an act relating to controlled substances; scheduling certain substances; amending Minnesota Statutes 1974, Section 152.02, Subdivision 5.

Reports the same back with the recommendation that the bill do pass. Pursuant to Joint Rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1056: A bill for an act relating to crimes; prohibiting occupying or entering buildings without a claim of right or the owner's consent except in the case of an emergency; amending Minnesota Statutes 1974, Section 609.605.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 5, strike "*building*" and insert "*dwelling*"

Page 2, line 8, after "*situation*" insert

*" . As used in this clause, "dwelling" means the building or part of the building used by an individual as a place of residence on either a full-time or a part-time basis. The dwelling may be part of a multi-dwelling or multi-purpose building, or a mobile home as defined in section 168.011, subdivision 8"*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was re-referred

S. F. No. 2188: A bill for an act relating to health; prohibiting sale and use of certain chemicals; providing penalties.

Reports the same back with the recommendation that the bill do pass. Pursuant to Joint Rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Perpich, A. J., from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2410: A bill for an act relating to taxation; providing for state reimbursement of taxing districts for tax reduction granted to Title II and certain other property; amending Minnesota Statutes 1974, Section 273.13, Subdivision 17b; and Chapter 273, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 276.04.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, after "*17b*," insert "*or the value assessed as class 3cc property pursuant to section 273.13, subdivision 7,*"

Page 1, line 21, after "*families*" strike "*and*" and insert a comma

Page 1, line 22, after "*loans*" insert "*and on homesteads of the blind and disabled*"

Page 2, line 3, after "Subdivisions" insert "7,"

Page 2, line 7, after "Subdivisions" insert "7,"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

H. F. No. 1885: A bill for an act relating to the metropolitan airports commission; requiring the installation of aircraft noise suppressing equipment at certain Minneapolis-St. Paul International Airport sites; amending Laws 1975, Chapter 13, Section 100, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "Laws 1975, Chapter 13, Section 100" and insert "Minnesota Statutes, 1975 Supplement, Section 473.608"

Further amend the title as follows:

Page 1, lines 5 to 6, strike "Laws 1975, Chapter 13, Section 100" and insert "Minnesota Statutes, 1975 Supplement, Section 473.608"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

H. F. No. 166: A bill for an act relating to Ramsey county; authorizing the county to acquire the Brightwood Hills golf course in the city of New Brighton; authorizing the issuance of bonds to finance the purchase.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 7 to 10, strike all of section 1 and insert:

"Section 1. The county of Ramsey is authorized to make grants from the proceeds of bonds issued under section 2 to cities within the county for the acquisition or betterment by the cities of parks, playgrounds and other recreational land and facilities. \$700,000 shall be allocated for each Minnesota senate district, wholly within the county, to be used for grants to cities for projects within the district. The remaining proceeds of the bonds issued under section 2 shall be allocated for grants to cities for projects within senate districts partly within the county, on the basis of the population in the district within the county."

Page 1, strike lines 11 to 14 and insert:

"Sec. 2. The county of Ramsey may issue in one or more series general obligation bonds of the county in a total aggregate amount not exceeding \$5,600,000 for the purpose of making grants to cities under section 1 for the acquisition and betterment of parks, playgrounds and other recreational land and facilities."

Page 1, line 15, strike "1."

Further, amend the title by striking it in its entirety and inserting:

"A bill for an act relating to Ramsey county; authorizing the county to make grants to cities for park purposes; authorizing bonds to finance the grant program."

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

H. F. No. 61: A bill for an act relating to highways; directing the department of highways to utilize a certain corridor in Washington county for the construction of interstate highway marked No. I 94.

Reports the same back with the recommendation that the bill do pass. Mr. Stassen questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

H. F. No. 2066: A bill for an act relating to the city of Minneapolis; authorizing a commercial and industrial lease and revenue bond guarantee program; providing for the issuance of limited general obligation bonds, and limited revenue bonds or obligations.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 2344: A bill for an act relating to physicians; requiring continuing medical education; providing for reporting of credit hours, granting of extensions, and discipline; defining terms.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "credit" and insert "clock"

Page 1, line 17, strike "Minnesota"

Page 2, line 5, strike "and" and insert "or"

Page 2, line 5, after the semicolon insert "and"

Page 2, line 6, strike "credit" and insert "clock"

Page 2, line 8, strike the first "scientific"

Page 2, line 8, strike "and publishing" and insert "or publication in a professional journal"

Page 2, line 8, strike the semicolon and insert a period

Page 2, strike lines 9 and 10

Page 2, line 11, strike "a" and insert "an approved"

Page 2, line 12, strike "recognized"

Page 2, line 13, strike "The triennial"

Page 2, line 22, strike "satisfaction" and insert "completion"

Page 2, line 23, strike "requirement" and insert "requirements"

Page 2, line 23, strike "triennium" and insert "three year period"

Page 2, line 24, strike "the date"

Page 2, line 26, after "shall" insert "institute proceedings which may lead to the"

Page 2, line 26, after "discipline" insert a comma

Page 2, line 27, strike "and" and insert ", of any person who fails to comply with the provisions of this section. The board"

Page 2, line 27, after "may" insert "also"

Page 2, line 30, strike "and every three years thereafter,"

Page 2, strike lines 31 and 32 and insert "include, as part of every report submitted to the legislature pursuant to section 214.07, a statement containing the"

Page 3, strike line 1

Page 3, line 10, after "the" insert "number of"

Page 3, line 11, strike "aspects of"

Page 3, after line 12, insert "A copy of each statement required under this subdivision shall also be submitted to the appropriate standing committees of each house of the legislature."

Page 3, line 15, strike the comma and insert a semicolon

Page 3, line 15, after "of" strike "credit" and insert "approved clock"

Page 3, line 17, after "activities" strike the comma and insert a semicolon

Page 3, line 17, strike "credit" and insert "clock"

Page 3, line 17, after "hours" strike the comma and insert a semicolon

Page 3, line 18, after "extensions" and before the period insert "pursuant to subdivision 4 of this section"

Amend the title as follows:

Page 1, line 4, strike "credit" and insert "clock"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

H. F. No. 2492: A bill for an act relating to environmental protection; limiting the sale and use of organic compounds known as polychlorinated biphenyls; permitting exemptions; requiring labels; defining terms; providing penalties.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.] Subdivision 1. For the purposes of this section the following terms shall have the meanings given:

Subd. 2. "Agency" means the Minnesota pollution control agency.

Subd. 3. "Director" means the director of the pollution control agency.

Subd. 4. "PCB" means the class of organic compounds known as polychlorinated biphenyls and includes any of several compounds produced by replacing two or more hydrogen atoms on the biphenyl molecule with chlorine. PCB does not include chlorinated biphenyl compounds that have functional groups attached other than chlorine.

Subd. 5. "Person" has the meaning specified in Minnesota Statutes, Section 115.01, Subdivision 10.

Sec. 2. [PROHIBITED USE OF PCB.] Subdivision 1. [CERTIFICATE OF EXEMPTION.] Beginning January 1, 1978, no person shall use, possess, sell, purchase or manufacture PCB or any product containing PCB unless the use, possession, sale, purchase or manufacture of PCB or products containing PCB is exempt by the agency. If the agency finds after there is opportunity for a public hearing on an application presented by any person, that no substitutes or feasible alternatives are reasonably available for PCB or a product containing PCB or class of products containing PCB, it shall grant a certificate of exemption which shall clearly set out the permitted use, possession, sale or purchase of PCB or a PCB product containing PCB. If the agency grants a certificate of exemption, it shall be valid for all subsequent uses of PCB or products containing PCB if the subsequent uses are consistent with the terms and conditions of the certificate of exemption. In granting certificates of exemption the agency shall at all times consider the public health and safety threatened by the use of PCB. In the consideration of certificates of exemption for the use or replacement of existing electrical transformers and capacitors the agency shall review, but not be limited to considerations of the safety of proven

alternatives, replacement costs and rules controlling the final disposal of PCB.

Subd. 2. [EXCLUSION.] In no event shall the certificate of exemption requirement or the labeling requirement of this section apply to any individual person who purchases or otherwise acquires a product containing PCB intended for consumer use in the home, provided that the use has previously been exempt by the agency and that the use is consistent with the terms and conditions of the certificate of exemption. Any electrical transformers or capacitors installed or ordered, used, or operating on January 1, 1978, shall be exempt from this act.

Subd. 3. [LABELS REQUIRED.] Beginning July 1, 1977, no person in this state shall add PCB in the manufacture of any new item, product or material, nor shall any person in this state sell any new item, product or material to which PCB has been added unless the PCB or products containing PCB are conspicuously labeled to disclose the presence of PCB and the concentrations of PCB.

Subd. 4. [RULES.] The agency shall promulgate rules by January 1, 1977, governing the granting of certificates of exemption and the requirements of labels specified in subdivision 3. The rules governing the requirement of labels specified in subdivision 3 may require other information relating to the public health and environmental effects of PCB and shall apply to persons holding certificates of exemption.

Subd. 5. [PENALTIES.] Violations of this act shall be subject to the provisions of Minnesota Statutes, Section 115.071."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 1944 for proper reference, recommends that it be referred to the Committee on Local Government.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 1955, 1372, 2157 and 2440 for comparison to companion Senate Files, reports the following House Files were found not identical with companion Senate Files as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1955	1922				
1372	2382				
2157	2363				
2440	2325				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1955 be amended as follows:

Page 1, line 10, delete "*of an adult*" and insert "*at a*"

Page 1, line 10, after "*state*" insert "*adult*"

Page 1, line 12, delete "*the course of pursuing*"

Page 1, line 13, delete "*requirement*"

Further, amend the title:

Page 1, line 2, delete "prison"

And when so amended, H. F. No. 1955 will be identical to S. F. No. 1922 and further recommends that H. F. No. 1955 be given its second reading and substituted for S. F. No. 1922 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1372 be amended as follows:

Strike the title in its entirety and insert:

"A bill for an act relating to drainage systems; authorizing a board or court to allow amendment of the engineer's and viewers' report for the purposes of taking into consideration certain inflationary cost factors; amending Minnesota Statutes 1974, Section 106.241."

And when so amended, H. F. No. 1372 will be identical to S. F. No. 2382 and further recommends that H. F. No. 1372 be given its second reading and substituted for S. F. No. 2382 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2157 be amended as follows:

Page 2, line 3, delete "Chapter 256D, Chapter 261," and insert "Sections 256D.35 to 256D.41, or" and delete "or a"

Page 2, delete lines 4 to 6 and insert "who is aggrieved by any action or decision of the local agency of a type specified by rule of the commissioner"

Page 2, line 7, delete "local agency"

Page 2, line 8, delete everything after "by" and insert "filing a notice of appeal with"

Page 2, line 9, delete "hearing to"

Page 2, line 10, delete "written notice" and insert "notification" and delete ", or within 90 days"

Page 2, delete lines 11 and 12

Page 2, line 13, delete "day time limit"

Page 2, delete lines 23 and 24 and insert "who is aggrieved by any action or decision of the local agency of a type specified by rule of the commissioner"

Page 2, line 25, delete everything before ", may"

Page 2, line 27, delete everything before "the state" and insert "filing a notice of appeal with"

Page 2, line 28, delete "written notice" and insert "notification"

Page 2, line 29, delete everything after "decision"

Page 2, delete line 30

Page 2, line 30, delete everything before the period

Page 3, line 26, delete everything after "have" and insert

"access to his individual case record kept by the local agency prior to and during the hearing. Technical rules of evidence shall not apply to hearings under this section and such hearing shall not be "contested cases" "

Page 3, delete lines 27 to 32

Page 4, line 1, delete everything before "within"

Page 4, line 10, delete "state his"

Page 4, line 11, delete "reasons therefor and shall"

Page 5, line 6, delete everything after the period

Page 5, delete lines 7 and 8

Page 5, line 9, delete everything through the period

Page 5, after line 24 insert

"Subd. 9. [ORDER OF THE DISTRICT COURT.] If the court finds that the order of the commissioner is not affected by an error of law, it shall make an order affirming the order of the commissioner. If the court finds that the order of the commissioner is affected by an error of law, it may make an order reversing, modifying, or vacating the order to the commissioner for further action not inconsistent with the determination of the court, and stating its reasons therefor."

Renumber the subdivisions accordingly

Page 5, line 30, delete "nor shall any"

Page 5, line 31, delete everything except the period

Page 6, line 1, delete everything after "welfare"

Page 6, line 2, delete "court", "or services" and "or" after "paid"

Page 6, line 3, delete "provided"

Page 6, line 4, delete "or provided" and "commissioner of"

Page 6, line 5, delete "welfare,"

Page 6, line 7, delete "256D.12"

Page 6 after line 7 insert

"Sec. 3. Except as otherwise provided by this section, this act is effective on August 1, 1976. Any proceeding initiated under Minnesota Statutes, Sections 256.77, 256B.10, 256B.11 or 256D.40,

prior to the effective date of this act, shall be conducted and completed in accordance with those sections.”

Further amend the title as follows:

Page 1, line 6, delete “256D.12;”

And when so amended, H. F. No. 2157 will be identical to S. F. No. 2363 and further recommends that H. F. No. 2157 be given its second reading and substituted for S. F. No. 2363 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2440 be amended as follows:

Page 1, after line 7 insert

“Section 1. Minnesota Statutes 1974, Chapter 140, is amended by adding a section to read:

[140.211] [PROBATE FEES.] *Subdivision 1. The clerk of court of the probate court of Ramsey county in each proceeding in the probate court in the matter of the estate of a deceased person looking to the entry of a decree determining the descent of real estate or of a decree or order for distribution of estate, except in summary administrative procedures for small estates pursuant to Minnesota Statutes, Sections 524.3-1203 or 524.3-1204 or in summary proceedings instituted pursuant to Minnesota Statutes, Section 525.51, shall collect a law library fee from the petitioner instituting the proceeding at the time of the filing of the first petition therein. The disbursement shall be an item of expense of administration of the estate, entitling the petitioner to reimbursement therefor out of the estate.*

*Subd. 2. The law library trustees shall, with the approval of the Ramsey county board of commissioners, set the amount of the library fee.*

Sec. 2. Minnesota Statutes 1974, Chapter 140, is amended by adding a section to read:

[140.212] [RAMSEY COUNTY MUNICIPAL COURT.] *Subdivision 1. The clerk of the Ramsey county municipal court shall collect a law library fee from each plaintiff and person commencing a civil action in municipal court, at the time of the filing of the first paper in the manner in which other fees are collected.*

*Subd. 2. The law library trustees shall, with the approval of the Ramsey county board of commissioners, set the amount of the library fee.*

*Subd. 3. The law library fee is a cost in the action and taxable as such, and is to be allotted for the support of the library.*

Sec. 3. Minnesota Statutes 1974, Section 140.22, is amended to read:

140.22 [LIMITATIONS.] *The provisions of section 140.21 and sections 1 and 2 of this act shall not apply to actions or proceedings commenced by the state or any municipality therein, to*

garnishment proceedings, to the filing of transcripts, to compensation awards, or to complaints in intervention in receivership proceedings.

Sec. 4. Minnesota Statutes 1974, Section 140.23, is amended to read:

140.23 [FEES PAID TO COUNTY TREASURER.] On the first day of each month the clerk of the district court of the second judicial district , *and the clerks of the municipal and probate courts of Ramsey county* shall pay the fees collected to the treasurer of the county taking his receipt therefor; the Ramsey county treasurer shall upon itemized vouchers approved by the board of law library trustees, disburse the same and any other money belonging to the board to pay the necessary expenses of equipping and maintaining the library."

Page 4, delete lines 15 and 16

Renumber the sections in order

Further amend the title as follows:

Page 1, line 5, after "Sections" insert "140.22; 140.23;"

Page 1, line 6, delete "a section" and insert "sections"

And when so amended, H. F. No. 2440 will be identical to S. F. No. 2325 and further recommends that H. F. No. 2440 be given its second reading and substituted for S. F. No. 2325 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2233 and 2489 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2233	2121				
2489	2398				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2233 be amended as follows:

Page 1, line 19, after "2." insert "*Subdivision 1.*"

Page 1, lines 21 and 22, delete ", *by resolution of its board of county commissioners.*"

Page 2, line 2, delete "Sec. 3. *Section 2*" and insert "*Subd. 2. This section*"

Page 2, line 3, delete "*board of county commissioners*" and insert "*county board*"

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "changing the requirements for counties joining together to form a human services board;"

And when so amended, H. F. No. 2233 will be identical to S. F. No. 2121 and further recommends that H. F. No. 2233 be given its second reading and substituted for S. F. No. 2121 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2489 be amended as follows:

Page 1, line 24, delete "\$25" and insert "\$100"

Page 2, delete lines 3 to 32

Page 3, delete lines 1 to 15

Renumber the remaining sections in order

Further, amend the title as follows:

Page 1, line 6, delete "redefining farm trucks;"

Page 1, delete lines 7 and 8 and insert "amending Minnesota Statutes"

And when so amended, H. F. No. 2489 will be identical to S. F. No. 2398 and further recommends that H. F. No. 2489 be given its second reading and substituted for S. F. No. 2398 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was re-referred

S. F. No. 1895: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money; amending Minnesota Statutes 1974, Section 48.24, Subdivision 5; and Minnesota Statutes, 1975 Supplement, Sections 290.01, Subdivision 20; and 290.09, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [PURPOSE.] *In order to aid farmers in obtaining credit for the acquisition of farm real estate, there is established a family farm security program which shall provide state money in guarantee of loans made according to the provisions of sections 1 to 15.*

Sec. 2. [DEFINITIONS.] *Subdivision 1. For the purposes of this act the following terms shall have the meanings given.*

*Subd. 2. "Applicant" means a natural person applying for a family farm security loan.*

*Subd. 3. "Council" means the family farm advisory council.*

*Subd. 4. "Commissioner" means the commissioner of agriculture.*

*Subd. 5. "Family farm security loan" means a loan secured by a first real estate mortgage. It shall be used for acquisition of farm land and shall be approved by the commissioner. This loan shall be guaranteed and may qualify for a payment adjustment as defined in subdivision 10 and a seller-sponsored loan as defined in subdivision 8.*

*Subd. 6. "Farm land" means land in Minnesota that is capable of supporting the commercial production of agricultural crops, livestock or livestock products, poultry products, milk or dairy products, or fruit or other horticultural products.*

*Subd. 7. "Lender" means any bank, savings bank, mutual savings bank, building and loan association, savings and loan association, organized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other financial institutions subject to the supervision of the commissioner of banks; and any foreign or domestic corporation engaged in the business of insurance which is subject to the supervision of the commissioner of insurance as defined in Minnesota Statutes, Section 60A.02, Subdivisions 1 and 3; and any financial institution operating under the supervision of the farm credit administration. In case of seller-sponsored loans as authorized in section 8, "lender" also means the seller of the property.*

*Subd. 8. "Seller-sponsored loan" means a loan in which part or all of the purchase price of the farm is financed by a loan from the seller of the property, and the remainder of the loan, if any, is supplied by a lender as defined in subdivision 7. The annual interest on a seller-sponsored loan shall not exceed 7 percent.*

*Subd. 9. "Family farm loan guarantee" means an agreement that in the event of default the state of Minnesota shall pay the lender all sums due and payable under the first real estate mortgage.*

*Subd. 10. "Payment adjustment" means an amount of money equal to four percent interest on the principal balance of the family farm security loan.*

**Sec. 3. [ADMINISTRATION.]** *Subdivision 1. The family farm security program shall be administered by the commissioner.*

**Subd. 2. [RULES.]** *The commissioner shall promulgate rules necessary for the efficient administration of sections 1 to 7; section 8, subdivisions 1 and 2; section 10, subdivisions 1 and 4; and section 15.*

**Subd. 3. [REPORT TO LEGISLATURE.]** *On or before January 1 of each year the commissioner shall submit a report to the legislature, as provided in Minnesota Statutes, Section 3.195, concerning the actions of the commissioner and the status of loans granted.*

**Sec. 4. [ADVISORY COUNCIL.]** *Subdivision 1. [COMPO-*

SITION.] *There is established a family farm advisory council composed of seven members appointed by the commissioner of agriculture as follows:*

- (a) Two officers from a commercial lending institution;*
- (b) One dairy farmer;*
- (c) One livestock farmer;*
- (d) One cash grain farmer;*
- (e) One officer from a farm credit association;*
- (f) One representative of consumers of food products who shall not be a farmer or lender.*

Subd. 2. [TERMS AND COMPENSATION.] *The council shall expire and the terms, compensation and removal of members of the council shall be governed by Minnesota Statutes, Section 15.059. The council shall meet monthly or more often as needed. Initial members shall be appointed for terms as follows: (a) for terms ending the first Monday in January, 1979: one officer from a commercial lending institution, the dairy farmer, the cash grain farmer, and the representative of consumers; and (b) for terms ending the first Monday in January, 1980: the remaining members.*

Subd. 3. [CHAIRMAN.] *The members of the council shall annually elect a chairman and other officers they deem necessary.*

Subd. 4. [DUTIES.] *The duties of the council shall be as follows:*

- (a) To review and appraise the family farm security program;*
- (b) To give advice and counsel to the commissioner regarding the family farm security program;*
- (c) To review all applications for family farm security loans and make recommendations to the commissioner as to their disposition;*
- (d) To make recommendations to the commissioner of agriculture, legislature and the public on or before December 31 or each year regarding any needed state policy or program changes to foster and promote the economic health and viability of the family farm.*

Subd. 5. [STAFF; SERVICES.] *The commissioner of agriculture shall provide the council with necessary staff, office space and administrative services.*

Sec. 5. [ELIGIBILITY.] *A family farm security loan approval may be granted if the following criteria are satisfied:*

- (a) That the applicant is a resident of the state of Minnesota, or shows sufficient evidence that he intends to become a resident;*
- (b) That the applicant has sufficient education, training, or experience in the type of farming for which he wishes the loan and*

*continued participation in a farm management program, approved by the commissioner, for the duration of the family farm security loan;*

*(c) That the applicant and spouse have total net worth valued at less than \$50,000 and has demonstrated a need for the loan;*

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

*(e) that the applicant is credit worthy according to standards prescribed by the commissioner.*

**Sec. 6. [PROCEDURE.] Subdivision 1. [APPLYING FOR LOAN; LOAN DENIED.]** *Any person desiring to acquire farm land may make application with a lender for a family farm security loan. Upon completion of the appropriate forms by the applicant and the lender, the lender shall forward the application to the commissioner for approval. The commissioner shall prescribe a screening process to determine eligibility and he may arrange for local lenders to perform this function for the state. The commissioner may approve the application if the criteria of sections 5 and 7 are satisfied, and shall notify the applicant and the lender of his decision.*

*If the application is denied, the commissioner shall return the application to the lender with a written statement of the reasons for the denial. The applicant shall be given a copy of the reasons for the denial of the loan. If the circumstances of the applicant change such that he becomes eligible, he may reapply.*

**Subd. 2. [APPROVED LOANS.]** *If the commissioner approves the loan application, he shall retain a copy of the application for his files and return the original to the lender. The applicant and the lender may then complete the transaction for the loan.*

**Subd. 3. [PRIVACY OF RECORDS.]** *The information contained in an application and the statement of reasons for the denial of an application shall be private data on individuals as defined in Minnesota Statutes, Section 15.162.*

**Subd. 4. [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 another 90 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.*

*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. 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 become the holder of the mortgage and 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 proceedings in the manner provided by law. In the event that title to the property is acquired by the state, he shall arrange for fair market value appraisal of the farm land and shall accept applications from prospective purchasers who meet the criteria of sections 5 and 7 and have the support of a lender willing to finance the purchase. If an application is accepted by the commissioner, the property will be sold to the applicant and treated as though it were a new family farm security loan. If no buyer who is a qualified applicant can be found within 90 days at the fair market price as determined by the commissioner, the commissioner shall advertise the property and sell it to the highest bidder.*

*Subd. 5. [GUARANTEE VOID.] The loan guarantee shall be void only if the guaranteed loan was obtained by fraud or material misrepresentation of which the original lender or subsequent holder had actual knowledge.*

*Sec. 7. [TERMS OF THE LOAN.] Subdivision 1. A family farm security loan shall be transacted on forms provided by the commissioner with the advice of the attorney general. The commissioner shall establish an appraisal procedure and shall thereby determine the value of the property before guaranteeing a family farm security loan.*

*Subd. 2. [PAYMENT ADJUSTMENT.] To be eligible for payment adjustment a family farm security loan shall have a maximum term of 20 years and shall provide for payments at least annually so that the loan shall be amortized over its term with equal annual payments of principal and interest. During the first ten years of a family farm security loan, the commissioner shall annually pay to the lender four percent of the outstanding balance due at the beginning of that year and the applicant shall pay the remainder of the payment due. After the tenth year, the applicant shall make payments according to the stated interest rate. The applicant may petition the commissioner for one ten year renewal of the payment adjustment. If a renewal is granted, in the 21st year the applicant shall reimburse the commissioner for the sums paid on the applicant's behalf under this subdivision. If no renewal is granted, the applicant shall reimburse the commissioner in the 11th year for the sums paid on the applicant's behalf under this subdivision. The obligation to repay the payment adjustment shall be a lien against the property.*

*Subd. 3. [ANNUAL REVIEW OF NET WORTH.] The applicant and spouse shall annually submit to the commissioner a statement of their net worth. If their net worth in any year exceeds the sum of \$100,000, the applicant shall be ineligible for a payment adjustment in that year.*

*Sec. 8. [SELLER-SPONSORED LOANS.] Subdivision 1. [AUTHORIZATION.] The commissioner may provide a guarantee to the lenders on seller-sponsored loans when the buyer satisfies the eligi-*

bility criteria in section 5. The commissioner may also provide a payment adjustment on behalf of the applicant in the case of seller-sponsored loans.

*Subd. 2. [NEGOTIABILITY AND MARKETABILITY.] A seller-sponsored loan shall be secured by a purchase money first real estate mortgage evidenced by negotiable note or notes as defined in Minnesota Statutes, Section 336.3-104. The commissioner must be notified in writing within 30 days after a family farm security loan note is sold or exchanged.*

*Subd. 3. [TAXABILITY.] The interest earned by the seller of the property on a seller-sponsored loan that is guaranteed by the commissioner shall be excludable from gross income for the year in which it is received.*

Sec. 9. Minnesota Statutes, 1975 Supplement, Section 290.08, is amended by adding a subdivision to read:

*Subd. 23. The interest earned by the seller of the property on a seller-sponsored loan that is guaranteed by the commissioner of agriculture under the provisions of sections 1 to 15.*

Sec. 10. [SALE OR CONVEYANCE.] *Subdivision 1. [IMMEDIATE REPAYMENT OF LOAN.] Any applicant who sells or conveys the property for which a family farm security loan was issued shall immediately retire the entire indebtedness still owed to the lender and the commissioner. The new owner may negotiate a family farm security loan in his own right, but under no circumstances may the original loan be assumed by the new owner. This subdivision is not intended to prohibit the applicant from granting a security interest in the property for the purposes of securing an additional loan.*

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

*Subd. 2. [TAX PENALTY ON CAPITAL GAIN.] Minnesota Statutes, Chapter 290 shall apply to determine the amount of the gain realized on the sale of property for which a family farm security loan has been issued. The tax imposed by chapter 290 shall be imposed on the following percentages of any gain realized on the sale of the property:*

*Time lapsed from issuance of loan*

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

*This tax shall no longer be applicable and the tax imposed by chapter 290 shall apply when the property for which a family farm security loan was issued has been held by the applicant for more than ten years after the issuance of the loan. Chapter 290 shall apply when the applicant has realized a loss on the sale of the property.*

Sec. 11. [DISCRIMINATION PROHIBITED.] *In carrying out their respective duties under this act, the council and the commissioner shall not discriminate between applicants because of race, color, creed, religion, national origin, sex, marital status, disability, political or ideological persuasion.*

Sec. 12. Minnesota Statutes 1974, Section 48.24, Subdivision 5, is amended to read:

Subd. 5. Loans or obligations shall not be subject under this section to any limitation based upon such capital and surplus to the extent that they are secured or covered by guarantees, or by commitments or agreements to take over or to purchase the same, made by *the commissioner of agriculture on the purchase of agricultural land* or by any Federal Reserve bank or by the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States.

Sec. 13. Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in Clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns,

the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) 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;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101.

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20;

(5) 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 oper-

ating loss carryforwards or carrybacks resulting from such losses;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(8) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, 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;

*(10) The interest on any payment adjustment received by the seller of the property on a seller-sponsored loan that is guaranteed by the commissioner of agriculture as provided by sections 5, 6, 7, and 8 of this act;*

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972

of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 14. Minnesota Statutes, 1975 Supplement, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter; (b) taxes assessed against local benefits of a kind deemed in law to increase the value of the property assessed; (c) inheritance, gift and estate taxes except as provided in section 290.077, subdivision 4; (d) cigarette and tobacco products excise tax imposed on the consumer; (e) that part of Minnesota property taxes for which a credit or refund is claimed and allowed under section 290.0603 or 290.066; (f) federal income taxes, by corporations, national and state banks except as provided in section 290.18; and (g) *the tax imposed by section 10, subdivision 2, of this act when the property has been held for less*

than ten years after the issuance of the loan; and ~~(g)~~ (h) tax paid by any corporation or national or state bank to any foreign country or possession of the United States to the extent that a credit against federal income taxes is allowed under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1974. If the taxpayer's foreign tax credit consists of both foreign taxes deemed paid and foreign taxes actually paid or withheld, it will be conclusively presumed that foreign taxes deemed paid were first used by the taxpayer in its foreign tax credit. Minnesota gross income shall include the amount of foreign tax paid which had been allowed as a deduction in a previous year, provided such foreign tax is later allowed as a credit against federal income tax. Income taxes permitted to be deducted hereunder shall, regardless of the methods of accounting employed, be deductible only in the taxable year in which paid. Taxes imposed upon a shareholder's interest in a corporation which are paid by the corporation without reimbursement from the shareholder shall be deductible only by such corporation.

Sec. 15. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to a special account in the state treasury the sum of \$10,000,000 to be invested by the state board of investment in such securities as authorized by law.*

*Such sums as may be needed from time to time to pay lenders for defaulted loans is appropriated from the special account to the commissioner.*

*Subd. 2. Interest accrued from the investment of funds from the special account is annually appropriated, and the sum of \$. . . . . from the general fund is appropriated to the commissioner to be used for payment adjustment under section 7, subdivision 2.*

*Subd. 3. There is appropriated from the general fund to the commissioner the sum of \$56,000 for administrative expenses incurred in fulfilling the provisions of this act."*

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "290.08, by adding a subdivision;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred

H. F. No. 1767: A bill for an act relating to bingo; providing penalties; amending Minnesota Statutes 1974, Section 609.75, Subdivision 3; repealing Minnesota Statutes 1974, Chapter 349.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "*In this act.*" and insert "*Subdivision 1. As used in sections 1 to 13 the following terms have the meanings given them.*"

Page 1, line 11, strike "(1)" and insert "*Subd. 2.*"

Page 1, line 14, strike "(2)" and insert "Subd. 3."

Page 1, line 16, after "rows" strike ", all but" and insert "of spaces, with each row except"

Page 1, line 18, after "center" insert "space"

Page 1, line 18, after the period insert: "A player wins a game of bingo by completing"

Page 1, line 19, strike everything after "spaces"

Page 1, line 20, strike " "bingo"." and insert "or,"

Page 1, line 21, after "five" insert "spaces"

Page 1, line 22, strike ", constitutes" and insert a period

Page 1, strike line 23

Page 2, line 1, strike "(3)" and insert "Subd. 4."

Page 2, line 4, strike "(4)" and insert "Subd. 5."

Page 2, line 8, strike "(5)" and insert "Subd. 6."

Page 2, line 21, strike "improvement, expansion" and insert "improving, expanding"

Page 2, line 22, strike "maintenance or repair of" and insert "maintaining or repairing"

Page 2, line 29, strike "(6)" and insert "Subd. 7."

Page 3, line 1, strike "(7)" and insert "Subd. 8."

Page 3, line 3, strike "(8)" and insert "Subd. 9."

Page 3, line 9, strike "(9)" and insert "Subd. 10."

Page 3, line 25, strike "after" and insert "as"

Page 3, line 26, strike "being"

Page 4, line 7, strike "The" and insert "A"

Page 4, line 7, after "government" insert: "that permits bingo shall establish a system for licensing organizations to conduct bingo occasions, and"

Page 4, line 8, strike "new"

Page 4, line 17, strike "retailed" and insert "retained"

Page 4, line 19, after "of" insert "the conduct of"

Page 4, line 31, strike "and" and insert "or"

Page 5, line 4, before "Any" insert "(1)"

Page 5, line 4, after "corporation" insert a comma

Page 5, line 5, strike "which owns a premise which it leases directly" and insert "which leases any premises that it owns"

Page 5, line 8, strike "premise" and insert "premises"

Page 5, line 9, before "Any" insert "(2)"

Page 5, line 9, strike "premise which it owns" and insert "premises"

Page 5, line 10, strike "or leases,"

Page 5, after line 19, insert:

*"(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."*

Page 6, line 12, after "manager" insert "designated by the organization"

Page 6, line 12, after "for" insert "gross receipts and profits from bingo and for"

Page 6, line 14, after "ordinances." insert "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."

Pages 6 and 7, strike all of subdivisions 10 and 11.

Page 7, line 20, after "2" strike the comma and insert "and"

Page 7, line 20, strike "and 11"

Page 8, line 7, after "any" insert "reasonable"

Page 8, line 15, after "to" insert "and investigated by"

Page 8, line 16, strike "county or municipality" and insert "place"

Page 8, line 17, strike "and he shall investigate the discrepancies"

Page 8, line 21, strike "9" and insert "10"

Page 8, line 25, after "conduct" insert "copies of"

Page 8, lines 26 and 31, and page 9, line 11, strike "A copy of"

Page 9, line 19, strike "Copies of"

Page 9, line 24, strike "nor be" and insert "or"

Page 9, line 25, strike "deemed to"

Page 9, line 28, strike "13" and insert "12"

Page 10, line 15, strike "as provided in"

Page 10, line 16, before "sections" insert "when conducted in compliance with"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 2041: A bill for an act relating to the elderly; establishing a state policy for older citizens dependent on long-term care and treatment.

Reports the same back with the recommendations that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Section 256.975, is amended by adding a subdivision to read:

*Subd. 3. The board shall recommend to the state legislature no later than January 1, 1977, a proposed state policy for citizens dependent on long term care and services. The proposed state policy shall address, but need not be limited to, the following:*

*(a) Developing alternatives to institutionalization in long term care facilities and other programs which will assist each citizen dependent on long term care and services to maintain the highest level of self-sufficiency and independence which his mental and physical condition allows;*

*(b) Developing methods for ensuring citizens dependent on long term care and services an effective voice in determining which programs and services are made available to them;*

*(c) Protecting citizens dependent on long term care and services from unnecessary governmental interference in private and personal affairs; and*

*(d) Informing citizens dependent on long term care and services of the programs and services for which they are eligible.*

*Sec. 2. This act is effective the day following its final enactment.”*

Amend the title as follows:

Page 1, line 2, after “elderly” and before the semicolon insert “and handicapped”

Page 1, line 2, strike “establishing” and insert “requiring the board on aging to develop a proposal for”

Page 1, line 3, strike “older”

Page 1, line 4, strike “treatment” and insert “services; amending Minnesota Statutes 1974, Section 256.975, by adding a subdivision”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 429: A bill for an act relating to labor; increasing the minimum wage; amending Minnesota Statutes 1974, Section 177.24.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, strike "*after January 1, 1976 and until July 1,*"

Page 1, strike line 12 except the period

Page 1, after line 12, insert:

"Sec. 2. *This act shall be effective October 1, 1976.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 1929: A bill for an act relating to health care; requiring that certain insurance contracts and subscriber contracts provide benefits for certain services performed by podiatrists; amending Minnesota Statutes 1974, Section 62A.043.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 465: A bill for an act relating to insurance; establishing certain compulsory insurance for aircraft; amending Minnesota Statutes 1974, Sections 60A.081; 360.59, by adding a subdivision; and Chapter 360, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 60A.081, is amended to read:

60A.081 [AIRCRAFT INSURANCE.] *Subdivision 1.* No policy of insurance issued or delivered in this state covering any loss, damage, expense, or liability arising out of the ownership, maintenance, or use of an aircraft, shall exclude or deny coverage because the aircraft is operated in violation of federal or civil air regulations, state law or regulations, or local ordinances. This section does not prohibit the use of specific exclusions or conditions in the policy which relate to:

(1) Certification of an aircraft in a stated category by the federal aviation administration.

(2) Certification of a pilot in a stated category by the federal aviation administration.

- (3) Establishing requirements for pilot experience.
- (4) Establishing limitations on the use of the aircraft.

*Provided, that no policy of insurance issued or delivered in this state covering any such loss, damage, expense, or liability arising out of the ownership, maintenance, or use of an aircraft, shall in any event exclude or deny coverage to persons other than the pilot or owner of the aircraft because the aircraft is being operated in breach of a policy condition or exclusion requiring certification of an aircraft in a stated category by the federal aviation administration, or establishing limitations on the use of the aircraft, or requiring certification of the pilot in a stated category by the federal aviation administration or by establishing requirements for pilot experience.*

*Subd. 2. No policy of insurance issued or delivered in this state covering an aircraft equipped with passenger seats and covering liability hazards shall be issued excluding coverage for injury to or death of passengers except as to a policy of insurance exclusively covering "commercial operations" as defined by section 360.013, subdivision 11, when the pilot of the aircraft shall have in force a separate policy of insurance providing for coverage on the aircraft as required by section 3 of this act.*

*Subd. 3. The provisions of this section shall not apply as to any policy issued covering aircraft being used in air commerce as defined by Minnesota Statutes, Section 360.511, Subdivision 4.*

Sec. 2. Minnesota Statutes 1974, Chapter 360, is amended by adding a section to read:

[360.0216] [OPERATOR OF AIRCRAFT DEEMED AGENT OF OWNER.] *When an aircraft is operated within the airspace above this state or upon the ground surface or waters of this state by a person other than the owner, with the consent of the owner, expressed or implied, the operator shall in case of accident be deemed the agent of the owner of the aircraft in its operation.*

Sec. 3. Minnesota Statutes 1974, Section 360.59, is amended by adding a subdivision to read:

*Subd. 10. [CERTIFICATE OF INSURANCE.] When an application for registration is filed a certificate of insurance shall accompany it. The certificate shall evidence that the aircraft is insured with a liability policy with limits of not less than \$100,000 per passenger seat liability for both passenger bodily injury and property damage, and not less than \$100,000 per person for bodily injury to non-passengers, and not less than \$300,000 per occurrence for bodily injury to non-passengers. The certificate shall state the effective date and terms of the coverage. No certificate of registration shall be issued pursuant to subdivision 3 in the absence of a certificate of insurance. In the event of cancellation of the insurance the insurer shall notify the department of aeronautics at least ten days prior to the date on which the insurance coverage is to be terminated. Unless a new certificate of insurance is filed with the department the registration certificate for the aircraft shall be revoked forthwith.*

Sec. 4. Minnesota Statutes 1974, Chapter 360, is amended by adding a section to read:

[360.92] [PROVISION RELATING TO OPERATION OR PERMISSION TO OPERATE AIRCRAFT WITHIN STATE OF MINNESOTA WITHOUT LIABILITY INSURANCE.] *It is a misdemeanor for an owner to operate or permit to be operated an aircraft registered or based within the state of Minnesota without liability insurance protecting passengers and third persons for both personal injury and property damage resulting from the operation of the aircraft; provided, that the limits of coverage for personal injury and property damage protection shall be not less than those limits provided for under section 3 of this act.*

Sec. 5. Minnesota Statutes 1974, Chapter 360, is amended by adding a section to read:

[360.93] [RESPONSIBILITY OF PERSONS ENGAGED IN COMMERCIAL OPERATION TO ASCERTAIN EXISTENCE OF MINIMAL INSURANCE COVERAGE.] *Any person engaged in commercial operations as defined by section 360.013, subdivision 11, who causes or authorizes the operation of aircraft, with or without the right of legal control (in capacity of owner, lessee or otherwise) of the aircraft, shall be responsible for determining that there is in force such minimal insurance coverages required by this chapter for the protection of passengers and third persons from damages for personal injury or death, or property damage, resulting in the operation of any such aircraft; provided that in any case and subject to the penalties provided for herein, every commercial operator causing or authorizing the operation of such aircraft shall disclose to such authorized pilot using or operating such aircraft both the limits and extent of any liability insurance coverages that may be applicable to the operation of such aircraft. Whoever violates or fails to comply with this section is guilty of a misdemeanor.*

Sec. 6. *This act is effective for operations of aircraft after June 1, 1976, except section 3 which shall be effective January 1, 1977.*

Amend the title as follows:

Page 1, line 6, strike "a section" and insert "sections"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 1828: A bill for an act relating to industrial loan and thrift companies; requiring approval of name by commissioner of banks; regulating renewals of loans and refunds of interest or discounts; amending Minnesota Statutes 1974, Sections 53.03, by adding a subdivision; and 53.07; and Minnesota Statutes, 1975 Supplement, Section 53.04.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 2441: A bill for an act relating to Minnesota Statutes; providing for the correction of erroneous, ambiguous, omitted and obsolete references and text; reenacting certain laws inadvertently repealed; eliminating certain duplicative and conflicting provisions superseded by or conflicting with other provisions of law; amending Minnesota Statutes 1974, Chapter 359, by adding a section; Sections 9.031, Subdivision 3; 15.50, Subdivision 2; 16.02, Subdivision 14; 16.13; 16.872, Subdivision 2; 16A.125, Subdivision 6; 30.464, Subdivision 1; 30.467; 30.469; 38.02, Subdivision 2; 43.07, Subdivision 1; 72A.25, Subdivision 3; 86.41; 110.53; 116F.08; 121.85; 121.86; 121.88; 123.32, Subdivision 7; 144.01; 144.63, Subdivision 2; 144.952, Subdivision 1; 151.02; 155.04; 156.11; 176.471, Subdivision 3; 205.10, as amended; 216.25; 239.46; 246.02, Subdivision 4; 248.07, Subdivision 4; 253A.02, Subdivision 18; 256.863; 256.935, Subdivision 1; 256D.21; 268.10, Subdivision 8; 270.10, Subdivision 1; 271.10, Subdivision 2; 275.127; 291.33, Subdivision 1; 298.281, Subdivision 5; 306.38, Subdivision 2; 309.52, Subdivision 1a; 319A.11, Subdivision 2; 341.05, Subdivision 2; 341.06; 341.07; 341.08; 341.09, Subdivisions 2 and 3; 341.12; 341.13; 341.15; 345.38, Subdivision 1; 355.80; 363.10; 366.10; 368.01, Subdivision 25; 375A.09, Subdivision 4; 414.07, Subdivision 2; 414.08; 430.031, Subdivision 4; 462A.04, Subdivision 1; 472.03, Subdivision 2; 481.15, Subdivision 2; 487.03, Subdivision 2; 490.12, Subdivision 5; 490.16, Subdivision 6; 532.38; 546.09; 546.10; 562.04; 617.41; Minnesota Statutes, 1975 Supplement, Sections 15.162, Subdivision 1; 15.163, Subdivision 2; 15.166, Subdivisions 1 and 2; 15.167; 43.12, Subdivision 23; 43.43, Subdivision 2; 82.18; 116A.01, Subdivision 1a; 116A.20, Subdivision 1; 116A.24, Subdivision 1; 121.87, Subdivision 1; 123.36, Subdivision 10; 124.03, Subdivision 1; 124.212, Subdivision 8a; 127.25, Subdivision 3; 136A.233, Subdivision 1; 144.53; 147.01; 148.03; 148.181, Subdivision 1; 148.52; 148.67; 150A.02, Subdivision 1; 153.02; 154.22; 156.01, Subdivision 1; 210A.09; 273.138, Subdivision 3; 298.281, Subdivision 1; 325.942, Subdivision 1; 326.04; 326.17; 326.241, Subdivision 1; 326.541; 341.01; 341.04; 341.05, Subdivision 1; 341.10; 341.11; 354A.12; 386.63, Subdivision 1; 473.204, Subdivision 2; 473.823, Subdivision 4; 488A.01, Subdivision 5; 500.24, Subdivision 2; 501.81, Subdivision 3; Laws 1975, Chapter 271, Section 3; reenacting Laws 1969, Chapters 1123, as amended; 1126, Section 2, as amended; and 1137, as amended; repealing Minnesota Statutes 1974, Sections 15A.081, Subdivision 1a; 123.31, as amended; 239.45; and 366.182; Laws 1975, Chapters 46, Section 11; 162, Section 28; and 342, Section 1; Laws 1976, Chapter 2, Section 152.

Reports the same back with the recommendation that the bill be amended as follows:

Page 12, strike lines 11 to 20

Page 20, line 5, strike "city" and insert "town"

Page 20, line 17, after "Section" strike "462A.04" and insert "412.-251, is amended in lines 5 and 6 by striking "\$500,000" and inserting "\$1,500,000" "

Page 20, strike lines 18 and 19

Renumber the sections in sequence

Page 6 of the Explanation, strike lines 9 and 10

Page 9 of the Explanation, line 30, strike "Reference to metropolitan" and insert:

"Laws 1973, Chapter 773, directed the Revisor of Statutes to substitute the corrected mill rate for a previously stated mill rate whenever that rate was subject to Minnesota Statutes, Section 273.1102. The reduction in the mill rate is predicated on the assumption that by moving to a market value concept, all valuations would be increased threefold. Therefore, the \$500,000 figure in this section is equivalent to \$1,500,000 under the market value concept."

Page 9 of the Explanation, strike line 31

Renumber the sections in sequence

Amend the title as follows:

Line 18, strike "205.10, as amended;"

Line 29, after "Subdivision 4;" insert "412.251;"

Lines 30 and 31, strike "462A.04, Subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

### SECOND READING OF SENATE BILLS

S. F. Nos. 2218, 466, 2353, 2410, 2564, 2346, 465 and 2565 were read the second time.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 1271, 2534, 2159, 1891, 746, 1075, 2442, 1471, 910, 1892, 2155, 1284, 1143, 1056, 1885, 166, 2066, 2344, 2492, 1955, 1372, 2157, 2440, 2233, 1767, 2041, 429, 1929, 1828, 2441 and 2489 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Olson, A. G. moved that S. F. No. 2534 be withdrawn from the Committee on Local Government and re-referred to the Committee on Finance. The motion prevailed.

Mr. Conzemius moved that H. F. No. 1909 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Rules and Administration. The motion prevailed.

Mr. North moved that S. F. No. 932 and the Conference Committee Report thereon be laid on the table and the Conference Committee Report be printed in the Journal. The motion prevailed.

### CONFERENCE COMMITTEE REPORT ON S. F. NO. 932

A bill for an act relating to public welfare; permitting the commis-

sioner of public welfare to establish maximum fees for congregate living care under the income maintenance programs; amending Minnesota Statutes 1974, Section 256.01, Subdivision 2.

March 13, 1976

The Honorable Alec G. Olson  
President of the Senate

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 932 report that we have agreed upon the items in dispute and recommend as follows:

That the senate concur in the house amendments and that the unofficial engrossment be further amended as follows:

Page 1, line 17, strike everything after the period

Page 1, strike lines 18 to 20

Page 2, line 12, strike “, as defined in section 250.02,”

Page 2, line 26, strike “and regulations”

Page 5, line 8, strike “and regulation”

Page 5, line 16, strike “and regulations”

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Robert D. North, John Milton, John L. Olson

House Conferees: (Signed) Linda L. Berglin, Harold J. Dahl, O. J. Heinitz

#### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

S. F. No. 1383, pursuant to the request of the Senate:

Messrs. Chenoweth, Kirchner and North.

S. F. No. 499, pursuant to the request of the Senate:

Messrs. Laufenburger, Merriam and Bang.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

#### MOTIONS AND RESOLUTIONS—CONTINUED SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Calendar of Ordinary Matters and that the rules of the Senate be so far suspended as to waive the lie-over requirement.

## CALENDAR OF ORDINARY MATTERS

H. F. No. 1963: A bill for an act relating to the city of Mound; firemen's service pensions; amending Laws 1973, Chapter 175, Section 1, as amended.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, S.	North	Schaaf
Arnold	Davies	Kirchner	Ogdahl	Schmitz
Ashbach	Doty	Kleinbaum	Olhoft	Schrom
Bang	Dunn	Knutson	Olson, A. G.	Sillers
Berg	Fitzsimons	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Frederick	Larson	Olson, J. L.	Stassen
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Borden	Hanson, R.	Lewis	Patton	Stumpf
Brataas	Hughes	McCutcheon	Perpich, A. J.	Tennessee
Brown	Humphrey	Merriam	Perpich, G.	Willet
Chenoweth	Jensen	Milton	Pillsbury	
Chmielewski	Josefson	Moe	Purfeerst	
Coleman	Keefe, J.	Nelson	Renneke	

So the bill passed and its title was agreed to.

H. F. No. 2009: A bill for an act relating to the city of Eveleth; firemen's pensions therein; amending Laws 1935, Chapter 208, Section 11, as added.

With the unanimous consent of the Senate, Mr. Perpich, G. moved to amend H. F. No. 2009 as follows:

Page 1, after line 19, insert

**"Sec. 2. [CHISHOLM POLICE AND FIREMEN RETIREMENT BENEFITS.]** *The retirement annuities of each member of the Chisholm police relief association and the Chisholm firemen's relief association who retired from active service as a policeman or fireman with the city prior to January 1, 1970 may be increased by \$50 per month, commencing with the first pay period after the effective date of this section.*

**Sec. 3. [CHISHOLM POLICE AND FIREMEN WIDOWS' PENSIONS.]** *The widows' benefits of each widow receiving a pension on January 1, 1970, under the Chisholm police and Chisholm firemen's relief association bylaws, may be increased by \$50 per month, not exceeding a total payment of \$125 per month, as the bylaws of such association shall provide, for her natural life; provided, however, that if she shall remarry, then such pension shall cease and terminate as of the date of her remarriage."*

Page 1, line 20, strike "This act" and insert "Section 1"

Page 1, line 22, after "645.021." insert "Sections 2 and 3 are effective upon approval by the Chisholm city council and upon compliance with Minnesota Statutes, Section 645.021."

Renumber sections in sequence

Further, amend the title:

Page 1, line 2, strike "city" and insert "cities"

Page 1, line 2, before "Eveleth" insert "Chisholm,"

Page 1, line 2, before "firemen's" insert "police and"

The motion prevailed. So the amendment was adopted.

With the unanimous consent of the Senate, Mr. Solon moved to amend H. F. No. 2009 as follows:

Page 1, after line 19, insert:

"Sec. 4. Laws 1975, Chapter 127, Section 2, is amended to read:

**Sec. 2. [DULUTH FIREMEN'S SURVIVOR BENEFITS.]** When a service pensioner thereof, disability pensioner thereof, deferred pensioner thereof, or an active member of the firemen's relief association in the city of Duluth dies, leaving

(a) A widow who was his legally married wife, residing with him, and who was married to him while or prior to the time he was on the payroll of the fire department; and who, in case the deceased member was a service or deferred pensioner was legally married to said member at least three years before his retirement from said fire department; or

(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 or pensions as follows:

(1) To such a widow a pension of not less than 15 units and not to exceed the sum of 20 units per month, as the bylaws of said association provide, for her natural life; provided, however, that if she shall remarry, she shall not be entitled to such pension *during the continuance of her remarriage. The pension shall however, resume upon termination of remarriage.*

(2) To such child or children, if their mother be living, a pension of not to exceed eight units per month for each child up to the time each child reaches the age of not less than 18 years and not to exceed an age of 22 years, as may be provided by the bylaws of the association. Provided, the total pensions hereunder for the widow and children of said deceased member shall not exceed the sum of 40 units per month.

(3) A child or children of a deceased member receiving a pension or pensions hereunder shall after the death of their mother, be entitled to receive a pension or pensions in such amount or amounts as the board of trustees of such association shall deem necessary to properly support such child or children until they reach the age of not less than 18 and not more than 22 years, as the bylaws of such association may provide; but the total amount of such pension or pensions hereunder for any such child or children shall not exceed the sum of 40 units per month.

This section shall apply to the firemen's relief association in the city of Duluth in lieu of the provisions of Minnesota Statutes, Section 69.48.

*Benefits shall be payable to a surviving spouse whose remarriage has terminated prior to the effective date of this act, from and after the effective date of this act."*

Page 1, line 22, before the period insert "; and section 4 is effective upon approval by the Duluth city council and upon compliance with Minnesota Statutes, Section 645.021"

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "city" and insert "cities"

Line 2, after "Eveleth" insert "and Duluth"

Line 3, after "pensions" insert "and survivor benefits"

Line 4, before the period, insert "; and Laws 1975, Chapter 127, Section 2"

The motion prevailed. So the amendment was adopted.

H. F. No. 2009 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kirchner	Ogdahl	Schmitz
Arnold	Dunn	Kleinbaum	Olhoft	Schrom
Ashbach	Fitzsimons	Knutson	Olson, A. G.	Sillers
Bang	Frederick	Kowalczyk	Olson, H. D.	Solon
Berg	Gearty	Larson	Olson, J. L.	Spear
Bernhagen	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Blatz	Hansen, Mel	Lewis	Patton	Stokowski
Brataas	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Brown	Humphrey	Merriam	Perpich, G.	Tennessee
Chenoweth	Jensen	Milton	Pillsbury	Ueland
Chmielewski	Josefson	Moe	Purfeerst	Willet
Coleman	Keefe, J.	Nelson	Renneke	
Conzemius	Keefe, S.	North	Schaaf	

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

H. F. No. 2010: A bill for an act relating to the city of Eveleth; increase in police pensions; amending Laws 1965, Chapter 636, Section 8, as added.

With the unanimous consent of the Senate, Mr. Solon moved to amend H. F. No. 2010 as follows:

Page 1, after line 19, insert:

“Sec. 2. Laws 1953, Chapter 91, Section 11, Subdivision 1, as amended by Laws 1955, Chapter 187, Section 6, Laws 1959, Chapter 191, Section 5, and Laws 1975, Chapter 408, Section 4, is amended to read:

Sec. 11. [PENSIONS, PAYMENT.] Subdivision 1. The association shall grant pensions payable from the police pension fund in monthly installments in the manner and for the following purposes:

(1) To any member of the age of 50 years or more who performs duty as a member of the police department of the city for 20 years or more, upon the member's written application after retiring from such duty there shall be paid monthly during the member's lifetime a pension not to exceed 31 units and one additional unit for the first year of such service in excess of 20 years and two additional units for each year of such service in excess of 21 years, but not to exceed 40 units.

(2) To any member who performs duty as a member of the police department of the city for 20 years or more who retires from such duty before the member attains the age of 50 years, upon the member's written application after reaching the age of 50 years, there shall be paid monthly during the member's lifetime a pension not to exceed 31 units and one additional unit for the first year of such service in excess of 20 years and two additional units for each year of such service in excess of 21 years, but not to exceed 40 units.

(3) To any member who, while a member of the police department of the city, becomes diseased or sustains an injury which permanently unfits the member from the performance of police duties there shall be paid monthly during the member's lifetime a pension, as provided in the bylaws of the association but not to exceed 40 units, while so disabled; but no member shall be awarded, granted, or paid a pension pursuant to this clause, except upon the certificate of two or more physicians or surgeons chosen by the governing board. This certificate shall set forth the cause, nature, and extent of the disability, disease, or injury of the member. No member shall be awarded, granted, or paid a pension pursuant to this clause unless the certificate states that the disability, disease, or injury was incurred or sustained by the member while a member of the police department. Each such certificate shall be filed with the association; and at its discretion the governing board may require any such person to submit to a re-examination by a competent physician chosen by the board. If found by this re-examination to be physically fit such person shall be reinstated to the position held immediately prior to the commencement of the member's disability.

(4) To the spouse or to a surviving child of a member who dies while in the service of the police department of the city or to the spouse or to a surviving child of any pensioner or any deferred service pensioner during the period of the member's deferment there shall be paid monthly a benefit as follows:

(a) Not to exceed 20 units to the spouse;

(b) Not to exceed 8 units to a surviving child until such child becomes 18 years of age, except that such benefits shall continue until

the surviving child becomes 22 years of age if that child continues living with the surviving spouse, remains unmarried, and is enrolled as a full time student in an accredited college or vocational school.

In the event the spouse and such surviving children reside together, the benefits to be paid to such children shall be paid to the spouse for the support of the children, but such spouse shall not receive more than 40 units per month in any event. If a spouse remarries, the spouse's benefit shall cease as of the date of the remarriage. *Benefits shall however, resume upon termination of remarriage.* Upon the death of a spouse, each surviving child shall receive a pension as provided in the bylaws of the association of not to exceed 40 units.

*Sec. 3. Benefits shall be payable to a surviving spouse whose remarriage has terminated prior to the effective date of this act, from and after the effective date of this act."*

Page 1, line 20, after "2." insert "Section 1 of"

Page 1, line 22, before the period, insert "; and sections 2 and 3 are effective upon approval by the Duluth city council and upon compliance with Minnesota Statutes, Section 645.021"

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "city" and insert "cities"

Line 2, after "Eveleth" insert "and Duluth"

Line 3, after "pensions" insert "in the city of Eveleth"

Line 3, after the semicolon, insert "police survivor benefits in the city of Duluth;"

Line 4, after "added" insert "; and Laws 1953, Chapter 91, Section 11, Subdivision 1, as amended"

The motion prevailed. So the amendment was adopted.

H. F. No. 2010 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, J.	Nelson	Renneke
Arnold	Doty	Keefe, S.	North	Schaaf
Ashbach	Dunn	Kirchner	Ogdahl	Schmitz
Bang	Fitzsimons	Kleinbaum	Olhoft	Schrom
Berg	Frederick	Knutson	Olson, A. G.	Sillers
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	Solon
Blatz	Hansen, Baldy	Larson	Olson, J. L.	Spear
Brataas	Hansen, Mel	Laufenburger	O'Neill	Stassen
Brown	Hanson, R.	Lewis	Patton	Stokowski
Chenoweth	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chmielewski	Humphrey	Merriam	Perpich, G.	Tennessee
Coleman	Jensen	Milton	Pillsbury	Ueland
Conzemius	Josefson	Moe	Purfeerst	Willet

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

**H. F. No. 2090:** A bill for an act relating to the city of Worthington; volunteer firemen's service pensions.

Mr. Olson, J. L. moved that the amendment made to H. F. No. 2090 by the Committee on Rules and Administration in the report adopted March 12, 1976, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 2090 was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	Olhoft	Schrom
Arnold	Fitzsimons	Knutson	Olson, A. G.	Sillers
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Solon
Bang	Gearty	Larson	Olson, J. L.	Spear
Berg	Hansen, Baldy	Laufenburger	O'Neill	Stassen
Bernhagen	Hansen, Mel	Lewis	Patton	Stokowski
Blatz	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Brataas	Hughes	Merriam	Perpich, G.	Tennessee
Brown	Humphrey	Milton	Pillsbury	Ueland
Chmielewski	Jensen	Moe	Purfeerst	Wegener
Conzemius	Josefson	Nelson	Renneke	Willet
Davies	Keefe, J.	North	Schaaf	
Doty	Kirchner	Ogdahl	Schmitz	

So the bill passed and its title was agreed to.

**H. F. No. 1966:** A bill for an act relating to judges; authorizing certain retired judges and their dependents to participate in the state employee hospital benefits and medical benefits program; amending Minnesota Statutes 1974, Section 43.491, by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	North	Renneke
Arnold	Fitzsimons	Kleinbaum	Ogdahl	Schaaf
Bang	Frederick	Knutson	Olhoft	Schmitz
Berg	Gearty	Kowalczyk	Olson, A. G.	Schrom
Bernhagen	Hansen, Baldy	Larson	Olson, H. D.	Sillers
Borden	Hansen, Mel	Laufenburger	Olson, J. L.	Solon
Brataas	Hanson, R.	Lewis	O'Neill	Stassen
Brown	Hughes	McCutcheon	Patton	Stumpf
Chmielewski	Humphrey	Merriam	Perpich, A. J.	Tennessee
Conzemius	Jensen	Milton	Perpich, G.	Ueland
Davies	Josefson	Moe	Pillsbury	Wegener
Doty	Keefe, J.	Nelson	Purfeerst	Willet

So the bill passed and its title was agreed to.

H. F. No. 2463: A bill for an act relating to highway traffic regulations; defining terms; authorizing flashing lights on certain vehicles; authorizing certain vehicles to be equipped with a flashing amber lamp and to display the lighted lamp under certain conditions; amending Minnesota Statutes 1974, Sections 169.01, by adding a subdivision; and 169.64, Subdivision 3, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kirchner	Olson, A. G.	Sillers
Arnold	Dunn	Kleinbaum	Olson, H. D.	Solon
Ashbach	Fitzsimons	Knutson	Olson, J. L.	Spear
Bang	Frederick	Kowalczyk	O'Neill	Stassen
Berg	Gearty	Larson	Patton	Stokowski
Bernhagen	Hansen, Baldy	Laufenburger	Perpich, A. J.	Stumpf
Borden	Hansen, Mel	McCutcheon	Perpich, G.	Tennessee
Brataas	Hanson, R.	Merriam	Pillsbury	Ueland
Brown	Hughes	Milton	Purfeerst	Wegener
Chmielewski	Humphrey	Moe	Renneke	Willet
Coleman	Jensen	Nelson	Schaaf	
Conzemius	Josefson	Ogdahl	Schmitz	
Davies	Keefe, J.	Olhoft	Schrom	

So the bill passed and its title was agreed to.

H. F. No. 2326: A bill for an act relating to highway traffic regulations; driving restrictions on certain juveniles; repealing Minnesota Statutes 1974, Section 169.131.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Ogdahl	Schmitz
Arnold	Dunn	Kirchner	Olhoft	Schrom
Ashbach	Fitzsimons	Kleinbaum	Olson, A. G.	Sillers
Bang	Frederick	Knutson	Olson, H. D.	Solon
Berg	Gearty	Kowalczyk	Olson, J. L.	Spear
Bernhagen	Hansen, Baldy	Larson	O'Neill	Stokowski
Brataas	Hansen, Mel	Laufenburger	Patton	Stumpf
Brown	Hanson, R.	Merriam	Perpich, A. J.	Tennessee
Chmielewski	Hughes	Milton	Perpich, G.	Ueland
Coleman	Humphrey	Moe	Pillsbury	Wegener
Conzemius	Jensen	Nelson	Purfeerst	Willet
Davies	Keefe, J.	North	Renneke	

So the bill passed and its title was agreed to.

Mr. Perpich, G., moved that S. F. No. 1951 be returned to the author. The motion prevailed.

H. F. No. 595: A bill for an act relating to retirement; authorizing expenditures of firemen's relief associations; amending Minnesota Statutes 1974, Section 424.31.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Kleinbaum	Olhoft	Sillers
Arnold	Frederick	Knutson	Olson, A. G.	Solon
Ashbach	Gearty	Kowalczyk	Olson, H. D.	Spear
Bang	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Berg	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Bernhagen	Hanson, R.	Lewis	Patton	Stumpf
Brataas	Hughes	McCutcheon	Perpich, A. J.	Tennessee
Brown	Humphrey	Merriam	Perpich, G.	Ueland
Chmielewski	Jensen	Milton	Pillsbury	Wegener
Coleman	Josefson	Moe	Purfeerst	Willet
Davies	Keefe, J.	Nelson	Renneke	
Doty	Keefe, S.	North	Schmitz	
Dunn	Kirchner	Ogdahl	Schrom	

So the bill passed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the rules of the Senate be so far suspended as to make General Orders a Special Orders Calendar for immediate consideration. The motion prevailed.

#### SPECIAL ORDER

S. F. No. 2362: A bill for an act relating to counties; changing lands subject to county control; amending Minnesota Statutes 1974, Section 394.24, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Josefson	Nelson	Schmitz
Arnold	Doty	Keefe, J.	North	Schrom
Ashbach	Dunn	Keefe, S.	Olhoft	Solon
Berg	Frederick	Knutson	Olson, A. G.	Spear
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	Stassen
Blatz	Hansen, Baldy	Larson	Olson, J. L.	Stumpf
Brataas	Hansen, Mel	Laufenburger	O'Neill	Tennessee
Brown	Hanson, R.	Lewis	Patton	Ueland
Chenoweth	Hughes	McCutcheon	Pillsbury	Wegener
Chmielewski	Humphrey	Merriam	Purfeerst	Willet
Coleman	Jensen	Moe	Renneke	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 2254: A bill for an act relating to unemployment compensation; providing that an individual who has voluntarily left or indefinitely separated from employment with a school and is hired for the next school year by another school may not collect benefits during the period between successive school years; amending Minnesota Statutes, 1975 Supplement, Section 268.08, Subdivision 5.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	North	Schmitz
Arnold	Dunn	Kirchner	Ogdahl	Schrom
Ashbach	Fitzsimons	Kleinbaum	Olhoff	Sillers
Berg	Frederick	Knutson	Olson, A. G.	Solon
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	Spear
Blatz	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Brataas	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Brown	Hanson, R.	Lewis	Patton	Stumpf
Chenoweth	Hughes	McCutcheon	Perpich, G.	Tennessee
Chmielewski	Humphrey	Merriam	Pillsbury	Ueland
Coleman	Jensen	Milton	Purfeerst	Wegener
Conzemius	Josefson	Moe	Renneke	Willet
Davies	Keefe, J.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

H. F. No. 2043: A bill for an act relating to elections; providing for uniform reporting dates for campaign disclosure forms; providing for disclosure of campaign contributions and expenditures of political committees and candidates for local office; amending Minnesota Statutes 1974, Chapters 123, 373, and 471, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 210A.01, Subdivisions 1, 5, 6, 8, 9, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27, Subdivision 1; 210A.29; 210A.32; 210A.33; Chapter 210A, by adding sections; repealing Minnesota Statutes, 1975 Supplement, Sections 123.015; 210A.01, Subdivisions 4 and 7; 210A.22; 210A.28; and 210A.31.

Mr. Dunn moved to amend H. F. No. 2043, as amended pursuant to Rule 49, adopted by the Senate March 5, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1942.)

Page 7, line 20, strike "local public" and insert "elected county"

Page 7, line 20, after "officials" insert "in any county of over 100,000 population, and all elected city officials in any city of over 50,000 population"

Page 7, line 30, after "official" insert ", as described in subdivision 7,"

Mr. Olson, A. G., moved to amend the Dunn amendment to H. F. No. 2043 as follows:

Strike "100,000" and insert "50,000"

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

The question recurred on the Dunn amendment.

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 39 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Jensen	Ogdahl	Schrom
Arnold	Fitzsimons	Josefson	Olson, H. D.	Sillers
Ashbach	Frederick	Kirchner	Olson, J. L.	Stassen
Berg	Gearty	Kleinbaum	O'Neill	Tennessee
Bernhagen	Hansen, Baldy	Knutson	Patton	Ueland
Brataas	Hansen, Mel	Larson	Pillsbury	Wegener
Chmielewski	Hanson, R.	Laufenburger	Renneke	Willet
Davies	Hughes	Nelson	Schmitz	

Those who voted in the negative were:

Borden	Keefe, J.	McCutcheon	Olhoft	Spear
Brown	Keefe, S.	Merriam	Perpich, A. J.	Stumpf
Chenoweth	Lewis	North	Perpich, G.	

The motion prevailed. So the amendment was adopted.

Mr. Conzemius moved to amend H. F. No. 2043, as amended pursuant to Rule 49, adopted by the Senate March 5, 1976, as follows:

(The text of the amended House File is identical to S. F. No. 1942.)

Page 11, after line 17, insert:

"Sec. 22. Minnesota Statutes, 1975 Supplement, Section 202A.61, is amended to read:

202A.61 [VACANCY, CONGRESS, LEGISLATURE, SPECIAL ELECTION.] Every vacancy in the office of representative or senator in congress or member of the state legislature shall be filled for the unexpired term by election upon the writ of the governor as provided by sections 202A.61 to ~~202A.72~~ 202A.71 . If there will not be any session of the congress or the legislature before the expiration of the term in which the vacancy exists, it shall not be necessary to fill the office."

Renumber the sections in sequence

Page 11, line 19, after "Sections" insert "202A.72;"

Amend the title as follows:

Line 2, after "to" insert "elections and"

Line 5, after "clerks;" insert "requiring that vacancies in the United States Senate be filled by election;"

Line 10, after "10A.33;" insert "Minnesota Statutes, 1975 Supplement, Section 202A.61;"

Line 11, after "Sections" insert "202A.72;"

The question being taken on the adoption of the amendment,  
And the roll being called, there were yeas 48 and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Josefson	Ogdahl	Sillers
Ashbach	Doty	Kirchner	Olson, H. D.	Spear
Bang	Dunn	Kleinbaum	Olson, J. L.	Stassen
Berg	Fitzsimons	Knutson	O'Neill	Stokowski
Bernhagen	Frederick	Kowalczyk	Patton	Stumpf
Blatz	Gearty	Larson	Pillsbury	Tennessee
Brataas	Hansen, Mel	Lewis	Purfeerst	Ueland
Brown	Hanson, R.	McCutcheon	Renneke	Willet
Coleman	Hughes	Nelson	Schaaf	
Conzemius	Jensen	North	Schmitz	

Those who voted in the negative were:

Arnold	Humphrey	Merriam	Olhoft	Schrom
Borden	Keefe, S.	Milton	Olson, A. G.	Solon
Chenoweth	Laufenburger	Moe	Perpich, G.	Wegener
Hansen, Baldy				

The motion prevailed. So the amendment was adopted.

H. F. No. 2043 was then progressed.

#### CALL OF THE SENATE

Mr. Laufenburger imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Anderson	Doty	Keefe, S.	Olhoft	Sillers
Arnold	Dunn	Kirchner	Olson, A. G.	Solon
Ashbach	Fitzsimons	Kleinbaum	Olson, J. L.	Spear
Bang	Frederick	Kowalczyk	O'Neill	Stokowski
Berg	Gearty	Larson	Patton	Stumpf
Bernhagen	Hansen, Baldy	Laufenburger	Perpich, G.	Tennessee
Blatz	Hansen, Mel	Lewis	Pillsbury	Ueland
Borden	Hanson, R.	McCutcheon	Purfeerst	Willet
Brown	Hughes	Merriam	Renneke	
Chenoweth	Humphrey	Milton	Schaaf	
Coleman	Jensen	Moe	Schmitz	
Davies	Josefson	Nelson	Schrom	

The Sergeant-at-Arms was instructed to bring in the absent members.

#### SPECIAL ORDER

H. F. No. 1382: A bill for an act relating to the operation of state government; authorizing the commissioner of administration to acquire vehicles for the car pooling of state employees; appropriating money; repealing Minnesota Statutes 1974, Section 16.755.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 38 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Lewis	Olhoff	Schmitz
Arnold	Gearty	McCutcheon	Olson, A. G.	Spear
Bang	Hansen, Mel	Merriam	Olson, H. D.	Stassen
Borden	Hanson, R.	Milton	O'Neill	Stokowski
Coleman	Hughes	Moe	Perpich, A. J.	Stumpf
Conzemius	Kirchner	Nelson	Perpich, G.	Willet
Davies	Kleinbaum	North	Pillsbury	
Doty	Laufenburger	Ogdahl	Purfeerst	

Those who voted in the negative were:

Ashbach	Frederick	Josefson	Olson, J. L.	Sillers
Berg	Hansen, Baldy	Kowalczyk	Patton	Ueland
Bernhagen	Jensen	Larson	Renneke	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

H. F. No. 525: A bill for an act relating to state government; creating a department of transportation; prescribing its duties and responsibilities; transferring the functions of some state departments; appropriating money; amending Minnesota Statutes 1974, Sections 43.09, Subdivision 2a; and 360.017, Subdivision 1; repealing Minnesota Statutes 1974, Sections 4.20; 161.03; and 360.114.

Mr. North moved to amend H. F. No. 525, the unofficial engrossment, as follows:

Page 4, line 6, after "*terms*" insert "*of overall*"

Page 4, line 6, after "*benefits,*" insert "*specific operating and capital costs, different service characteristics usefulness in attracting additional users,*"

Page 4, line 8, strike the second comma and insert "*and*"

Page 4, strike line 9

Page 4, line 10, strike "*financial assistance*"

Page 5, after line 7, insert

"*Subd. 3. [RELATIONSHIP WITH NATIONAL AND LOCAL PLANS.] The statewide plan shall recognize established national transportation policies. The plan shall include matters of local or regional concern if this inclusion is needed to insure a comprehensive, statewide perspective on transportation policies and priorities. To the extent possible the commissioner shall recognize and accommodate local or regional transportation plans. However, the statewide plan shall supersede a local or regional plan to the extent inconsistent on a matter which the commissioner demonstrates is of statewide concern.*"

Renumber the remaining subdivisions

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

Mr. Lewis moved to amend H. F. No. 525, the unofficial engrossment, as follows:

Page 2, line 28, after the period insert: "*The commissioner shall adopt an affirmative action plan for the department in order to insure that department hiring encourages the selection of members of groups of persons who because of unfair or unlawful discriminatory practices have in the past been denied equal employment opportunity. This plan need not be promulgated as a rule, but it shall be approved by the commissioner of personnel. The plan shall provide that the affected groups of persons shall constitute at least the same proportional number of employees in the department as they constitute in the population of the state.*"

The motion prevailed. So the amendment was adopted.

H. F. No. 525 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

Mr. Stassen moved that those not voting be excused from voting. The motion did not prevail.

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

And the roll being called, there were yeas 32 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Milton	Pillsbury	Tennessee
Arnold	Hughes	Moe	Purfeerst	Ueland
Borden	Keefe, S.	Ogdahl	Schaaf	Wegener
Brown	Kleinbaum	Olson, A. G.	Schmitz	Willet
Chenoweth	Lewis	Olson, H. D.	Solon	
Coleman	McCutcheon	Perpich, A. J.	Spear	
Conzemius	Merriam	Perpich, G.	Stumpf	

Those who voted in the negative were:

Ashbach	Doty	Humphrey	Laufenburger	Renneke
Bang	Dunn	Jensen	Nelson	Schrom
Berg	Fitzsimons	Josefson	North	Sillers
Bernhagen	Frederick	Kirchner	Olhoft	Stassen
Blatz	Hansen, Baldy	Knutson	Olson, J. L.	Stokowski
Brataas	Hansen, Mel	Kowalczyk	O'Neill	
Davies	Hanson, R.	Larson	Patton	

So the bill failed to pass.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 9:00 o'clock a.m., Thursday, March 18, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINETY-THIRD DAY

St. Paul, Minnesota, Thursday, March 18, 1976

The Senate met at 9:00 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Anderson	Conzemius	Humphrey	Ogdahl	Schmitz
Arnold	Davies	Jensen	Olhoff	Schrom
Ashbach	Doty	Keefe, S.	Olson, A. G.	Sillers
Bang	Dunn	Kirchner	Olson, H. D.	Solon
Berg	Fitzsimons	Kleinbaum	Olson, J. L.	Spear
Bernhagen	Frederick	Laufenburger	O'Neill	Stassen
Borden	Gerty	Lewis	Patton	Stumpf
Brataas	Hansen, Baldy	McCutcheon	Perpich, A. J.	Tennessee
Brown	Hansen, Mel	Merriam	Perpich, G.	Ueland
Chenoweth	Hanson, R.	Milton	Pillsbury	Wegener
Coleman	Hughes	Moe	Purfeerst	Willet

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. William D. Young.

The roll being called, the following Senators answered to their names:

Anderson	Conzemius	Josefson	North	Schaaf
Arnold	Davies	Keefe, S.	Ogdahl	Schmitz
Ashbach	Doty	Kirchner	Olhoff	Schrom
Bang	Dunn	Kleinbaum	Olson, A. G.	Sillers
Berg	Fitzsimons	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Frederick	Larson	Olson, J. L.	Spear
Blatz	Gerty	Laufenburger	O'Neill	Stassen
Borden	Hansen, Baldy	Lewis	Patton	Stokowski
Brataas	Hansen, Mel	McCutcheon	Perpich, A. J.	Stumpf
Brown	Hanson, R.	Merriam	Perpich, G.	Tennessee
Chenoweth	Hughes	Milton	Pillsbury	Ueland
Chmielewski	Humphrey	Moe	Purfeerst	Wegener
Coleman	Jensen	Nelson	Renneke	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**MEMBERS EXCUSED**

Mr. Knutson was excused from the Session of today. Mr. Keefe, J., was excused from the Session of today until 10:00 o'clock a.m.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

March 17, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Jack Fena, 2530 West Third Avenue, Hibbing, St. Louis County, has been appointed by me to the Occupational Safety and Health Review Board, effective March 17, 1976, for a term expiring August 29, 1977.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Labor and Commerce.

March 17, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

Duane Ekman, Route 2, Argyle, Marshall County, has been appointed by me to the Water Resources Board, effective March 17, 1976, for a term expiring October 5, 1981.

Sincerely,  
Wendell R. Anderson, Governor

Referred to the Committee on Natural Resources and Agriculture.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Messrs. Humphrey, Gearty and Ogdahl introduced—

S. F. No. 2575: A bill for an act relating to the operation of state government; establishing a system of periodic review of

certain agencies; providing a hearing; creating guidelines; setting termination dates.

Referred to the Committee on Governmental Operations.

Mr. Schmitz introduced—

S. F. No. 2576: A bill for an act relating to game and fish; providing for the sale by the department of natural resources of orphaned or abandoned fawns; amending Minnesota Statutes 1974, Section 98.48, Subdivision 3.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Schmitz introduced—

S. F. No. 2577: A bill for an act relating to game and fish; providing for special permits for the acquisition of wild animals for propagation purposes; amending Minnesota Statutes 1974, Section 98.48, Subdivision 3.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Olson, A. G.; Wegener and Willet introduced—

S. F. No. 2578: A bill for an act relating to watercraft; providing for county licensing; amending Minnesota Statutes 1974, Sections 361.02, by adding a subdivision; 361.03, Subdivisions 2, 5, 6, 7, 8, and 11; 361.25; repealing Minnesota Statutes 1974, Sections 361.03, Subdivision 3; 361.24, Subdivision 2; and Minnesota Statutes, 1975 Supplement, Section 361.27, Subdivision 1.

Referred to the Committee on Natural Resources and Agriculture.

Mr. O'Neill introduced—

S. F. No. 2579: A bill for an act relating to counties; repealing the authority of a county board to require that the office of the county attorney shall be a full time position; repealing Minnesota Statutes 1974, Section 388.21.

Referred to the Committee on Local Government.

Mr. Arnold, for the Committee on Finance, introduced—

S. F. No. 2580: A bill for an act relating to claims against the state; appropriating moneys for the payment thereof.

Under the rules of the Senate, laid over one day.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the

following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 2174: A bill for an act relating to intoxicating liquor; importation of limited quantities without payment of tax; amending Minnesota Statutes 1974, Section 340.601.

Senate File No. 2174 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 17, 1976

### CONCURRENCE AND REPASSAGE

Mr. Solon moved that the Senate concur in the amendments by the House to S. F. No. 2174 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 2174 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 48 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Hughes	Ogdahl	Sillers
Arnold	Davies	Humphrey	Olson, A. G.	Solon
Ashbach	Doty	Kleinbaum	Olson, H. D.	Spear
Bang	Dunn	Larson	O'Neill	Stassen
Berg	Fitzsimons	Laufenburger	Patton	Stokowski
Bernhagen	Frederick	Lewis	Perpich, A. J.	Stumpf
Borden	Gearty	McCutcheon	Perpich, G.	Tennessee
Brataas	Hansen, Baldy	Merriam	Pillsbury	Willet
Chenoweth	Hansen, Mel	Milton	Schmitz	
Chmielewski	Hanson, R.	North	Schrom	

Messrs. Brown and Renneke voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 109:

H. F. No. 109: A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall serve at the pleasure of the governor; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 16.01; 16A.01, Subdivision 2; 17.01; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 161.03, Subdivision 1; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1;

216A.06; 241.01, Subdivision 1; 245.03; 268.12, Subdivision 1; 270.-02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivision 1; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Sieben, H.; Jude and Patton have been appointed as such committee on the part of the House.

House File No. 109 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 17, 1976

Mr. Coleman for Mr. Schaaf moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 109, and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a new Conference Committee on House File No. 1137.

H. F. No. 1137: A bill for an act relating to housing; increasing range of eligibility for assistance from housing finance agency; providing for revolving loan funds and direct subsidies; appropriating money; amending Minnesota Statutes 1974, Sections 462A.03, Subdivision 13; 462A.05, Subdivisions 2 and 14; 462A.07, by adding a subdivision; 462A.19, Subdivision 1; 462A.21, by adding subdivisions; and 462A.22, Subdivision 9.

The Committee on the part of the House consists of:

Knoll, Norton, Lindstrom, Kroening and Ewald.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 17, 1976

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House of the following Senate File:

S. F. No. 1383: A bill for an act relating to metropolitan government; regulating solid waste; amending Laws 1975, Chapter 13, Sections 1, by adding subdivisions; 11, Subdivision 1; 139; 140,

Subdivision 1; 141; 142; 143; and 144; and by adding sections; repealing Laws 1975, Chapter 13, Section 140, Subdivision 2.

There has been appointed as such committee on the part of the House:

Casserly, Berg and Schreiber.

Senate File No. 1383 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 17, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files herewith transmitted: H. F. Nos. 1997 and 2072.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 17, 1976

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the Committees indicated.

H. F. No. 1997: A bill for an act relating to the operation of state government; providing for aids to education, tax levies and the distribution of tax revenues; changing the funding of special education, adult vocational education and secondary vocational education to a current funding basis; granting certain powers and duties to school districts, the commissioner of education, and the state board of education; establishing a uniform financial accounting and reporting system for Minnesota school districts; requiring the provision of special education on a shared time basis to nonpublic school pupils; appropriating money; amending Minnesota Statutes 1974, Sections 120.17, by adding a subdivision; 120.73, Subdivision 1; 120.74, Subdivision 1; 121.21, by adding a subdivision; 122.45, Subdivisions 2 and 3a; 124.212, by adding a subdivision; 124.32, as amended; Chapter 124, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 122.23, Subdivision 15; 122.45, Subdivision 1; 124.04; 124.17, Subdivisions 1 and 2; 124.212, Subdivision 8a; 124.271, Subdivision 2; 124.43, Subdivision 1; 124.561, Subdivision 3, and by adding a subdivision; 124.562, Subdivision 2; 124.563, Subdivision 3, and by adding a subdivision; 124.564; 124.565, Subdivision 2; 124.611, Subdivisions 1 and 2; 275.125, Subdivisions 2a, 4, 5, 8, 9, and 14; repealing Minnesota Statutes 1974, Sections 122.54 and 275.39.

Mr. Anderson moved that H. F. No. 1997 be laid on the table. The motion prevailed.

H. F. No. 2072: A bill for an act relating to taxes on or measured by net income and on the sale of intoxicating liquors and to assessment of ad valorem taxes; appropriating funds; amending Minne-

sota Statutes 1974, Sections 4.12, Subdivision 4; 270.13; 273.138, Subdivisions 2 and 5; 276.05; 276.06; 290.06, Subdivision 9a; 290.066, Subdivision 1; 340.51; 340.55; and Chapters 256 and 273, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 270.16, Subdivision 2; 273.012, Subdivision 3; 273.11, Subdivision 2; 273.122, Subdivision 1; 273.13, Subdivisions 6, 7, and 14a; 273.17, Subdivision 1; 274.14; 276.04; 281.17; 290.01, Subdivision 20; 290.012, Subdivision 4; 290.21, Subdivision 4; 290A.03, Subdivisions 3, 7, 8, 12, and 13 and by adding a subdivision; 290A.04, Subdivisions 2 and 3; 290A.05; 290A.06; 290A.07, Subdivisions 1 and 2; 290A.14; 290A.19; and Chapter 290A, by adding a section; and Laws 1975, Chapter 349, Section 32; and Laws 1976, Chapter 5, Sections 2, Subdivision 1; and 3; repealing Minnesota Statutes 1974, Section 273.11, Subdivision 4, and Minnesota Statutes, 1975 Supplement, Section 124.03.

Referred to the Committee on Taxes and Tax Laws.

### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of S. F. Nos. 2071, 1898, 2484 and 2402. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2071: A bill for an act relating to the tax court; establishing the tax court as a full time court; creating a small claims division; providing penalties; appropriating money; amending Minnesota Statutes 1974, Sections 15A.083, Subdivision 4; 271.01, Subdivisions 1 and 4a, and by adding a subdivision; 271.02; 271.03; 271.04; 271.06, Subdivisions 1, 2, 3, 4, 6, and by adding a subdivision; 271.07; 271.08; 271.09, Subdivisions 1, 2, and 3; 271.10, Subdivisions 1 and 2; 271.12; 271.13; 271.14; 271.15; 271.17; 271.18; 271.20; and 490.-121, Subdivision 2; and Chapter 271, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 124.212, Subdivision 11; repealing Minnesota Statutes 1974, Sections 271.001; 271.01, Subdivisions 2 and 3; 271.06, Subdivision 5; 271.11; and 271.16.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 9 to 12, reinstate the stricken language

Page 2, line 13, reinstate "organization."

Page 3, line 10, strike "receive compensation for time"

Page 3, strike line 11

Page 3, line 22, strike "courts have" and insert "court has"

Page 3, line 27, after "property" insert "or in any case that is under the jurisdiction of the probate court"

Page 3, line 31, after the period insert "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."

Page 3, line 32, after "taxes" insert ", aids and related matters"

Page 3, line 32, after "Chapters" insert "60A,"

Page 5, line 21, strike "The" and insert "Each"

Page 5, line 24, after the period insert "*When an appeal is taken by a resident taxpayer from an order of the commissioner, venue for the case shall be in Ramsey county or in the county in which the taxpayer resides. Venue shall be in Ramsey county for an appeal taken by a nonresident taxpayer from an order of the commissioner.*"

Page 5, line 24, after "for" insert "all other"

Page 6, line 2, strike "taxes" and insert "tax laws"

Page 6, line 17, strike "tax" and insert "*matter concerning the tax laws*"

Page 6, line 24, after the period insert "*In Ramsey county, notice of appeal may be filed with the tax court clerk or with the administrator.*"

Page 8, line 2, reinstate "any"

Page 8, line 2, strike "the"

Page 8, line 32, after "empanel" strike "a" and insert "an advisory"

Page 8, line 32, after "upon" strike "a" and insert "his own"

Page 9, line 1, strike "of the court"

Page 9, line 11, strike "in equity"

Page 9, line 11, after "aside" insert "or modify"

Page 9, line 21, after the period insert "*The tax court shall be exempt from the provisions of Minnesota Statutes, Chapter 15.*"

Page 10, line 28, strike "within six"

Page 10, line 29, strike "months after such other has become final,"

Page 11, line 5, strike "sections" and insert "section"

Page 11, line 26, strike "3" and insert "4"

Page 16, line 15, after "of" insert "*an order of the tax court or*"

Page 16, line 16, strike "such"

Page 16, line 20, after "the" and before "subpoena" insert "*order or*"

Page 16, line 21, after "the" and before "subpoena" insert "*order was made or the*"

Page 16, strike line 26

Page 16, line 27, strike "commissioner or"

Page 16, strike lines 31 and 32

Page 17, strike lines 1 to 8

Page 17, line 13, strike "secretary of the department, the"

Page 17, line 26, strike "secretary" and insert "*commissioner*"

Page 17, line 30, strike "secretary" and insert "*commissioner*"

Page 18, line 2, strike "The"

Page 18, line 3, strike "commissioner of revenue, his deputy, and"

Page 18, line 21, strike "member,"

Page 20, line 3, strike "*of tax*"

Page 20, line 4, strike "*liability in controversy or amount of refund*"

Page 21, line 9, strike "*and equitable*"

Page 22, line 9, after the period insert "*Each referee shall have authority to hear and decide the cases that he hears as small claims referee.*"

Page 24, line 16, after "271.11;" insert "271.14;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, strike "271.14;"

Page 1, line 18, after "271.11;" insert "271.14;"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Pursuant to Joint Rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 424: A bill for an act relating to tort liability of cities, counties, towns, public authorities, certain public corporations, school districts and political subdivisions of the state; amending Minnesota Statutes 1974, Section 466.05, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1866: A bill for an act relating to tort liability; raising the liability limits of political subdivisions; limiting the liability of individuals employed by political subdivisions; amending Minnesota Statutes 1974, Sections 466.04, Subdivision 1, and by adding subdivisions; and 466.05, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 81: A bill for an act relating to real property; termination of contract for sale; providing differing times of notice in

accordance with percentage of purchase price paid; amending Minnesota Statutes 1974, Section 559.21.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 20 and 23, after the comma, insert "*and any mortgages or prior contracts for deed which are assumed by the purchaser,*"

Page 2, line 2, after the comma, insert "*and any mortgages or prior contracts for deed which are assumed by the purchaser,*"

Page 2, line 4, after the comma, insert "*the mortgage registration tax, if actually paid by the vendor,*"

Page 2, line 5, strike "\$50" and insert "\$75"

Page 2, line 26, after "first" insert "*date of*"

Page 3, line 3, after "the" insert "*first date of publication of the*"

Page 3, line 4, strike "service of such"

Page 3, line 8, strike "service" and insert "*first date of publication*"

Page 3, line 8, strike "such" and insert "*the*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 790: A bill for an act relating to public welfare; providing visitation rights to unmarried minor children for grandparents in certain cases.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, strike lines 14 to 18

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 955: A bill for an act relating to mobile homes; providing certain procedures for repossession of mobile homes; amending Minnesota Statutes 1974, Section 336.9-104.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 10, strike "*and*" and insert "*or*"

Page 3, line 11, strike "*may forceably*" and insert "*shall*"

Page 3, line 32, after "*party*" insert "*, except in cases of voluntary repossession*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1087: A bill for an act relating to privacy of communications; authorization for interception of wire or oral communications; amending Minnesota Statutes 1974, Section 626A.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 16, insert:

*"Sec. 2. This act is effective on the day following its final enactment."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1865: A bill for an act relating to crimes; providing increased sentences for persons convicted of certain second or subsequent violations of theft; prescribing penalties; amending Minnesota Statutes 1974, Section 609.52, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, strike "\$100" and insert "\$300"

Page 1, line 22, strike "\$100" and insert "\$300"

Page 2, line 19, strike "\$100" and insert "\$300"

Page 3, line 2, strike "\$100" and insert "\$300"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 2107: A bill for an act relating to public employees; providing for payment of attorney's fees necessary to obtain benefits for survivors of peace officers killed in line of duty; amending Minnesota Statutes 1974, Chapter 352E, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "an"

Page 1, strike lines 14 and 15

Page 1, line 16, strike "in any other respect"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

H. F. No. 2263: A bill for an act relating to game and fish; clothing required during certain seasons; amending Minnesota Statutes 1974, Section 100.29, Subdivision 8; repealing Minnesota Statutes 1974, Section 98.52, Subdivision 5.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 1898: A bill for an act relating to pollution control; authorizing the hiring of county environmental officers; providing grants-in-aid; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [116.51] [STATE AID TO COUNTY BOARDS.] The pollution control agency shall, in the name of the state and in accordance with sections 1 to 4, make grants-in-aid to a county board to provide assistance to the county for implementation of the provisions of environmental statutes, ordinances, standards, rules and orders. The pollution control agency may employ a program administrator and necessary clerical assistance to administer the provisions of sections 1 to 4.

Sec. 2. [116.52] [ELIGIBILITY.] All Minnesota counties shall be eligible to apply for a grant-in-aid pursuant to section 3.

Sec. 3. [116.53] [APPLICATION PROCEDURE.] Subdivision 1. The pollution control agency shall, in accordance with Minnesota Statutes, Chapter 15, promulgate rules to be followed by each eligible county in applying for a grant-in-aid. The rules shall include, but not be limited to, the criteria to be used by the agency in determining whether a grant-in-aid should be awarded.

Subd. 2. Each eligible county board may apply each year for up to \$20,000 per year in grants-in-aid under this section. Grant funds may be used for salary, fringe benefits and reasonable travel expenses for county environmental programs.

Sec. 4. The implementation of any approved county environmental work program shall in no way affect the statutory responsibilities and administrative prerogatives of the pollution control agency in carrying out its duties and programs.

Sec. 5. [APPROPRIATION.] There is appropriated to the Minnesota pollution control agency from the general fund the sum of \$920,000 for a period beginning on July 1, 1976 and ending June 30, 1977. Expenses of the pollution control agency in administering the provisions of this act are payable from this ap-

propriation. Not less than \$870,000 of the money appropriated by this section shall be made available for grants-in-aid. Any unspent funds shall be returned to the general fund.

**Sec. 6. [EFFECTIVE DATE.]** This act is effective on July 1, 1976. No grants-in-aid may be awarded to an eligible county prior to January 1, 1977, although applications for grants-in-aid may be received and reviewed by the pollution control agency."

Amend the title as follows:

Line 2, strike "authorizing the"

Line 3, strike "hiring of county environmental officers;"

Line 4, before the semicolon insert "to counties for implementation of environmental regulations"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Pursuant to Joint Rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2484: A bill for an act relating to outdoor recreation, creating the citizen's advisory sportsmen's council on Minnesota's outdoor recreational resources; prescribing its powers and duties; providing for a surcharge on fish and game licenses to fund the council.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "sportsmen's"

Page 1, line 11, strike "outdoor recreational" and insert "fish, game and wildlife"

Page 1, line 13, strike "outdoor recreation" and insert "fish, game and wildlife"

Page 1, line 18, strike "state legislators from that district in the same" and insert "commissioner of natural resources."

Page 1, strike lines 19 to 22 and insert "The commissioner shall appoint the other ten members from nominations submitted by organizations of persons interested in fish, game and wildlife resources in the state."

Page 1, line 23, strike "organization."

Page 1, line 24, before the period, strike "committee" and insert "council"

Page 1, line 24, strike "The committee shall select six state-wide"

Page 2, strike lines 1 and 2

Page 2, line 4, strike "designated to serve two year terms" and

insert "appointed to terms expiring the first Monday in January 1979,"

Page 2, line 5, strike "serve four year terms" and insert "be appointed to terms expiring the first Monday in January 1980"

Page 2, strike lines 7 to 24, and insert:

"Subd. 3. The council shall be governed by the provisions of Minnesota Statutes, 1975 Supplement, Section 15.059.

Sec. 3. [STAFF; SERVICES.] The commissioner of natural resources shall supply office space, staff and administrative services to the council."

Page 2, line 32, strike "made available to the council to pay its" and insert "deposited in the general fund of the state treasury and reappropriated to the commissioner of natural resources to pay the expenses of the council."

Page 3, line 1, strike "expenses." and insert:

"Sec. 6. Sections 1 to 4 are effective the day following final enactment. Section 5 applies only to licenses issued for the calendar year 1977 and thereafter."

Amend the title as follows:

Page 1, line 3, strike "sportsmen's"

Page 1, line 4, strike "outdoor recreational" and insert "fish, game and wildlife"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Pursuant to Joint Rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2402: A bill for an act relating to historic sites; designating additional historic sites; amending Minnesota Statutes 1974, Sections 138.081, by adding a subdivision; 138.53, Subdivisions 7, 38, and by adding subdivisions; 138.58, by adding subdivisions; and 138.73, Subdivision 17.

Reports the same back with the recommendation that the bill do pass. Pursuant to Joint Rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Perpich, A. J., from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2148: A bill for an act relating to taxation; including cost of water filtration equipment in medical expense deduction; amending Minnesota Statutes 1974, Section 290.09, Subdivision 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 5, strike "contaminated"

Page 2, line 6, after "water" insert "*which if consumed may be injurious to human health because of asbestiform fibers content,*"

Page 2, line 10, strike "1975" and insert "1974"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J., from the Committee on Taxes and Tax Laws, to which was referred

H. F. No. 374: A bill for an act relating to local government; local improvements; establishing procedures for deferment of special assessments against homesteads of senior citizens; imposing certain duties on county auditors; amending Minnesota Statutes 1974, Sections 429.021, Subdivision 3; 429.061, Subdivision 1; 435.193; and 435.194.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Perpich, A. J., from the Committee on Taxes and Tax Laws, to which was referred

H. F. No. 980: A bill for an act relating to taxation; providing for taxation of certain types of air commerce; amending Minnesota Statutes 1974, Sections 270.071, Subdivision 6; and 270.072, Subdivisions 2 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 27, strike "1974" and insert "1976"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1615 and 2560 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1615	1965				
2560	2459				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1615 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [ABORTION; LIVE BIRTHS.] Subdivision 1. A live child born as a result of an abortion who is capable of living independently of the mother, with or without artificial aid, shall be fully recognized as a human person, and all reasonable measures consistent

with good medical practice, including the compilation of appropriate medical records, shall be taken to preserve the life and health of the child.

Subd. 2. An abortion performed after the eighteenth week of pregnancy shall be performed only in a hospital licensed under Minnesota Statutes, Sections 144.50 to 144.56. When an abortion is performed during the period of fetal viability, a physician trained in fetal resuscitation, other than the physician performing the abortion, shall be immediately accessible to take all reasonable measures consistent with good medical practice, including the compilation of appropriate medical records, to preserve the life and health of any live birth that is the result of the abortion. The period of fetal viability shall be determined by the physician attending the women.

Subd. 3. If a child described in subdivision 1 dies after birth, the body shall be disposed of in accordance with the provisions of Minnesota Statutes, Sections 145.14 to 145.163."

And when so amended, H. F. No. 1615 will be identical to S. F. No. 1965 and further recommends that H. F. No. 1615 be given its second reading and substituted for S. F. No. 1965 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2560 be amended as follows:

Page 1, lines 11 and 12, delete "*or farm field fertilizer applicator*" and after "*vehicle*" insert "*owned by a political subdivision and*"

Page 1, lines 13 and 14, delete "*or fertilizer from the supply*" and insert "*sewage treatment*"

Page 1, delete lines 18 and 19

Page 1, line 20, delete "*a vehicle shall not*" and insert "*farm fields shall not be operated outside a 15 mile radius of the supply facilities, nor shall it*"

Page 1, line 21, delete "*nor*" and insert "*or*"

And when so amended, H. F. No. 2560 will be identical to S. F. No. 2459 and further recommends that H. F. No. 2560 be given its second reading and substituted for S. F. No. 2459 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 101 for comparison to companion Senate Files, reports the following House File was found not identical with its companion Senate File as follows:

#### CALENDAR OF

#### GENERAL ORDERS

#### ORDINARY MATTERS

#### CALENDAR

H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
101	465				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 101 be amended as follows:

Page 3, delete lines 12 to 14 and insert

*“policy with limits of not less than \$100,000 per passenger seat liability for both passenger bodily injury and property damage, and not less than \$100,000 per person for bodily injury to non-passengers, and not less than \$300,000 per occurrence for bodily injury to non-passengers. The”*

Page 3, delete lines 24 to 30

Page 4, line 31, after the period insert *“Whoever violates or fails to comply with this section is guilty of a misdemeanor.”*

Page 5, line 1, delete the period and insert *“, except section 3 which shall be effective January 1, 1977.”*

Renumber the sections in order

Further, amend the title as follows

Page 1, lines 3 and 4, delete *“providing penalties;”*

Page 1, line 6, delete *“360.91;”*

And when so amended, H. F. No. 101 will be identical to S. F. No. 465 and further recommends that H. F. No. 101 be given its second reading and substituted for S. F. No. 465 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 2117 for comparison to companion Senate Files, reports the following House File was found not identical with its companion Senate File as follows:

#### CALENDAR OF

GENERAL ORDERS		ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2117	2334				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2117 be amended as follows:

Page 1, line 9, delete *“, 1975 Supplement”* and insert *“1974”*

Page 1, line 10, delete *“Subdivision 9,”* and after *“amended”* insert *“by adding a subdivision”*

Page 1, delete lines 11 to 14 and insert:

*“Subd. 10. “Automobile accident coverage” means any plan, or that portion of a plan, regulated under chapter 65B, which provides benefits for medical expenses incurred in an automobile accident.”*

Page 2, line 32, after *“application”* strike the parenthesis and insert a comma

Page 3, line 1, strike the parenthesis and insert a new comma

Page 3, line 3, strike *“such”*

Page 3, line 18, after "from" insert "*automobile*"

Page 3, line 19, delete "*insurance policies*" and insert "*coverage*"

Page 3, line 26, after "under" insert "*automobile*" and after "*accident*" insert "*coverage and*"

Page 3, line 27, delete "*or*" and delete "*and accident*"

Further amend the title as follows:

Page 1, line 4, after "amending" insert "Minnesota Statutes 1974, Section 256B.02, by adding a subdivision;"

Page 1, line 6, delete "256B.02, Subdivision 9;"

And when so amended, H. F. No. 2117 will be identical to S. F. No. 2334 and further recommends that H. F. No. 2117 be given its second reading and substituted for S. F. No. 2334 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 2068 for comparison to companion Senate Files, reports the following House File was found identical and recommends the House File be given its Second Reading and substituted for its companion Senate File as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2068	1979				

And that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. No. 2148 was read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 424, 1866, 81, 790, 955, 1087, 1865, 2107, 2263, 374, 980, 1615, 2560, 101, 2117 and 2068 were read the second time.

#### **MOTIONS AND RESOLUTIONS**

Mr. Gearty moved that the name of Mr. Brown be added as co-author to S. F. No. 1965. The motion prevailed.

**SUSPENSION OF RULES**

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the rules of the Senate be so far suspended as to make General Orders a Special Orders Calendar for immediate consideration. The motion prevailed.

**SPECIAL ORDER**

S. F. No. 252: A bill for an act relating to the legislature; providing for part of the apportionment of representative districts 19A and 19B.

Mr. Anderson moved to amend S. F. No. 252 as follows:

Page 1, after line 14, insert:

“Sec. 4. This act shall not be construed to constitute a reapportionment of the legislature within the meaning of Article IV, Section 4 of the Minnesota Constitution; if it is so construed, it shall be void from the date of enactment.”

The motion prevailed. So the amendment was adopted.

S. F. No. 252 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Jensen	Olhoft	Schmitz
Arnold	Davies	Keefe, S.	Olson, A. G.	Sillers
Ashbach	Doty	Kirchner	Olson, H. D.	Solon
Bang	Dunn	Kleinbaum	Olson, J. L.	Spear
Berg	Fitzsimons	Kowalczyk	O'Neill	Stassen
Bernhagen	Frederick	Larson	Patton	Stokowski
Blatz	Gearty	Laufenburger	Perpich, A. J.	Stumpf
Borden	Hansen, Baldy	Lewis	Perpich, G.	Ueland
Brataas	Hansen, Mel	McCutcheon	Pillsbury	Wegener
Brown	Hanson, R.	Merriam	Purfeerst	Willet
Chmielewski	Hughes	Milton	Renneke	
Coleman	Humphrey	Moe	Schaaf	

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

**SPECIAL ORDER**

S. F. No. 2053: A bill for an act relating to elections; providing for nonpartisan municipal elections in Duluth and St. Paul; amending Minnesota Statutes 1974, Section 205.17.

Mr. Hansen, Mel moved to amend S. F. No. 2053 as follows:

Page 1, line 9, strike “city” and insert “cities”

Page 1, line 9, after “and” insert “Minneapolis, and”

Page 2, line 2, strike “city” and insert “cities”

Page 2, line 2, after “Duluth” insert “and Minneapolis”

Page 2, line 25, strike "city"

Page 2, line 26, after "and" insert "Minneapolis, and"

Amend the title as follows:

Line 3, after "Duluth" insert "and Minneapolis"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 31 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Josefson	O'Neill	Stassen
Bang	Fitzsimons	Kirchner	Patton	Ueland
Berg	Frederick	Kowalczyk	Perpich, A. J.	Willet
Bernhagen	Hansen, Baldy	Larson	Perpich, G.	
Blatz	Hansen, Mel	Nelson	Pillsbury	
Brataas	Hanson, R.	Ogdahl	Renneke	
Brown	Jensen	Olson, J. L.	Sillers	

Those who voted in the negative were:

Anderson	Davies	Laufenburger	Olhoft	Spear
Arnold	Doty	Lewis	Olson, A. G.	Stokowski
Borden	Gearty	McCutcheon	Olson, H. D.	Stumpf
Chenoweth	Hughes	Merriam	Purfeerst	Tennessee
Chmielewski	Humphrey	Milton	Schaaf	Wegener
Coleman	Keefe, S.	Moe	Schmitz	
Conzenius	Kleinbaum	North	Solon	

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

Mr. Berg moved to amend S. F. No. 2053 as follows:

Page 3 after line 21, insert a new section to read:

"Sec. 2. Minnesota Statutes, 1975 Supplement, Section 203A.21, Subdivision 1, is amended to read:

203A.21 [NONPARTISAN NOMINATION.] Subdivision 1. The chief justice and the associate justices of the supreme court, judges of the district, probate and county courts, *all members of the state legislature*, and all elective county officers shall be nominated upon separate nonpartisan ballots, as hereinafter provided. The ballot shall be designated "ballot of candidates to be nominated without party designation."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert:

"providing for nonpartisan election for members of the legislature;"

Page 1, line 4, before the period insert

"; Minnesota Statutes, 1975 Supplement, Section 203A.21, Subdivision 1"

Mr. Jensen moved to amend the Berg amendment to S. F. No. 2053 as follows:

At the end of section 203A.21 after "designation." insert

"Candidates for the Legislature may add a party designation to their names on the ballot."

The question being taken on the adoption of the Jensen amendment to the Berg amendment,

And the roll being called, there were yeas 27 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Jensen	Nelson	Sillers
Bang	Dunn	Josefson	Ogdahl	Stassen
Berg	Fitzsimons	Keefe, J.	Olson, J. L.	Ueland
Bernhagen	Frederick	Kirchner	Patton	
Blatz	Hansen, Mel	Kowalczyk	Pillsbury	
Brataas	Hanson, R.	Larson	Renneke	

Those who voted in the negative were:

Anderson	Davies	Laufenburger	Perpich, A. J.	Spear
Arnold	Doty	Lewis	Perpich, G.	Stokowski
Borden	Gearty	Merriam	Purfeerst	Stumpf
Chenoweth	Hansen, Baldy	Milton	Schaaf	Tennessee
Chmielewski	Hughes	North	Schmitz	Wegener
Coleman	Humphrey	Olson, A. G.	Schrom	Willet
Conzemius	Keefe, S.	Olson, H. D.	Solon	

The motion did not prevail. So the Jensen amendment to the Berg amendment was not adopted.

The question recurred on the Berg amendment.

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 22 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Hanson, R.	Nelson	Stassen
Bang	Dunn	Josefson	Olson, J. L.	Ueland
Berg	Fitzsimons	Kirchner	Patton	
Bernhagen	Frederick	Kowalczyk	Renneke	
Blatz	Hansen, Mel	Larson	Sillers	

Those who voted in the negative were:

Anderson	Doty	Laufenburger	Perpich, A. J.	Spear
Arnold	Gearty	Lewis	Perpich, G.	Stokowski
Borden	Hansen, Baldy	McCutcheon	Pillsbury	Stumpf
Brown	Hughes	Merriam	Purfeerst	Tennessee
Chenoweth	Humphrey	North	Schaaf	Wegener
Chmielewski	Keefe, J.	Olhoft	Schmitz	Willet
Coleman	Keefe, S.	Olson, A. G.	Schrom	
Conzemius	Kleinbaum	Olson, H. D.	Solon	

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

S. F. No. 2053: A bill for an act relating to elections; providing for nonpartisan municipal elections in Duluth and St. Paul; amending Minnesota Statutes 1974, Section 205.17.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 40 and nays 20, as follows:

Those who voted in the affirmative were:

Ashbach	Conzemius	Hughes	Milton	Perpich, G.
Bang	Doty	Jensen	Nelson	Pillsbury
Berg	Dunn	Josefson	North	Renneke
Bernhagen	Fitzsimons	Keefe, J.	Ogdahl	Schmitz
Brataas	Frederick	Kirchner	Olson, H. D.	Schrom
Brown	Hansen, Baldy	Kowalczyk	Olson, J. L.	Solon
Chenoweth	Hansen, Mel	Larson	Patton	Stassen
Chmielewski	Hanson, R.	McCutcheon	Perpich, A. J.	Ueland

Those who voted in the negative were:

Borden	Humphrey	Lewis	Olson, A. G.	Spear
Coleman	Keefe, S.	Merriam	Purfeerst	Stumpf
Davies	Kleinbaum	Moe	Schaaf	Tennessee
Gearty	Laufenburger	Olhoft	Sillers	Wegener

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

### SPECIAL ORDER

S. F. No. 2226: A bill for an act relating to counties; authorizing inclusion of cities in sewer and water districts; allowing certain special assessments; providing a flexible accounting system for multi-county projects; amending Minnesota Statutes 1974, Sections 116A.01, Subdivisions 1 and 2, and by adding a subdivision; 116A.16; 116A.17, Subdivision 2; and 116A.24, Subdivision 3; and Minnesota Statutes, 1975 Supplement, Sections 116A.01, Subdivisions 1a and 4; and 116A.20, Subdivisions 2 and 6.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Doty	Larson	Olson, A. G.	Schrom
Bang	Dunn	Laufenburger	Olson, H. D.	Solon
Berg	Fitzsimons	Lewis	Olson, J. L.	Spear
Bernhagen	Frederick	McCutcheon	Patton	Stassen
Borden	Gearty	Merriam	Perpich, A. J.	Stokowski
Brataas	Hansen, Mel	Milton	Perpich, G.	Stumpf
Brown	Jensen	Moe	Pillsbury	Tennessee
Chenoweth	Josefson	Nelson	Purfeerst	Willet
Chmielewski	Keefe, J.	North	Renneke	
Coleman	Keefe, S.	Ogdahl	Schaaf	
Conzemius	Kirchner	Olhoft	Schmitz	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2210: A bill for an act relating to Red River watershed; authorizing watershed districts which are members of the lower Red River watershed management board to levy a tax; authorizing the management board to institute certain projects; allowing the board to enter certain intergovernmental agreements.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Josefson	Nelson	Renneke
Ashbach	Davies	Keefe, J.	North	Schaaf
Bang	Dunn	Kirchner	Ogdahl	Schmitz
Berg	Fitzsimons	Kleinbaum	Olhoff	Schrom
Bernhagen	Frederick	Kowalczyk	Olson, A. G.	Solon
Borden	Gearty	Larson	Olson, H. D.	Stassen
Brataas	Hansen, Baldy	Laufenburger	Olson, J. L.	Stokowski
Brown	Hansen, Mel	Lewis	Patton	Stumpf
Chenoweth	Hanson, R.	McCutcheon	Perpich, G.	Tennessee
Chmielewski	Hughes	Milton	Pillsbury	Ueland
Coleman	Jensen	Moe	Purfeerst	Willet

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 1675: A bill for an act relating to public indebtedness; revising and clarifying provisions as to manner of sale and execution of obligations; designation of paying agents; cremation of obligations; payment of grant anticipation certificates; use of investment income from proceeds; administration of debt service funds; refunding; method of payment and interest rate on special assessments and obligations payable from special assessments; amending Minnesota Statutes 1974, Sections 48.15, by adding a subdivision; 124.05, Subdivisions 3 and 4; 138.17, Subdivision 1; 429.061, Subdivision 2; 429.091, Subdivisions 1, 3, and 4; 471.56, Subdivisions 1 and 3; 475.51, Subdivision 6, and adding a subdivision; 475.52, Subdivision 1; 475.55; 475.553, Subdivisions 1, 2, 3, and 5; 475.60, Subdivisions 2 and 3; 475.61, Subdivision 5; 475.65; 475.66; and 475.67, Subdivisions 7 and 12; and repealing Minnesota Statutes 1974, Section 475.553, Subdivision 4; and Minnesota Statutes, 1975 Supplement, Section 471.561.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Kowalczyk	Olson, J. L.	Solon
Arnold	Frederick	Larson	O'Neill	Spear
Bang	Gearty	Laufenburger	Patton	Stassen
Berg	Hansen, Baldy	McCutcheon	Perpich, A. J.	Stokowski
Bernhagen	Hanson, R.	Merriam	Perpich, G.	Stumpf
Blatz	Hughes	Moe	Pillsbury	Tennessee
Brataas	Humphrey	Nelson	Purfeerst	Ueland
Brown	Jensen	North	Renneke	Wegener
Conzemius	Keefe, J.	Ogdahl	Schaaf	
Davies	Keefe, S.	Olhoff	Schmitz	
Doty	Kirchner	Olson, A. G.	Schrom	
Dunn	Kleinbaum	Olson, H. D.	Sillers	

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 1935: A bill for an act relating to education; environmental curriculum; providing for the inclusion of food production studies as part of environmental education; amending Minnesota Statutes 1974, Section 126.111.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 54 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, J.	Olson, A. G.	Schrom
Arnold	Doty	Keefe, S.	Olson, H. D.	Sillers
Berg	Dunn	Kirchner	Olson, J. L.	Spear
Bernhagen	Fitzsimons	Kleinbaum	O'Neill	Stassen
Blatz	Frederick	Larson	Patton	Stokowski
Borden	Gearty	Laufenburger	Perpich, A. J.	Stumpf
Brataas	Hansen, Baldy	Lewis	Perpich, G.	Tennessee
Brown	Hanson, R.	McCutcheon	Pillsbury	Ueland
Chmielewski	Hughes	Moe	Purfeerst	Wegener
Coleman	Humphrey	Nelson	Renneke	Willet
Conzemius	Jensen	Olhoft	Schmitz	

Messrs. Merriam, North and Schaaf voted in the negative.

So the bill passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Anderson moved that H. F. No. 1997 be taken from the table. The motion prevailed.

**SUSPENSION OF RULES**

Mr. Anderson moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 1997 and that the rules of the Senate be so far suspended as to give H. F. No. 1997 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1997 was read the second time.

H. F. No. 1997: A bill for an act relating to the operation of state government; providing for aids to education, tax levies and the distribution of tax revenues; changing the funding of special education, adult vocational education and secondary vocational education to a current funding basis; granting certain powers and duties to school districts, the commissioner of education, and the state board of education; establishing a uniform financial accounting and reporting system for Minnesota school districts; requiring the provision of special education on a shared time basis to nonpublic school pupils; appropriating money; amending Minnesota Statutes 1974, Sections 120.17, by adding a subdivision; 120.73, Subdivision 1; 120.74, Subdivision 1; 121.21, by adding a subdivision; 122.45, Subdivisions 2 and 3a; 124.212, by adding a subdivision; 124.32, as amended; Chapter 124, by adding sections; Minnesota Statutes, 1975 Supple-

ment, Sections 122.23, Subdivision 15; 122.45, Subdivision 1; 124.04; 124.17, Subdivisions 1 and 2; 124.212, Subdivision 8a; 124.271, Subdivision 2; 124.43, Subdivision 1; 124.561, Subdivision 3, and by adding a subdivision; 124.562, Subdivision 2; 124.563, Subdivision 3, and by adding a subdivision; 124.564; 124.565, Subdivision 2; 124.611, Subdivisions 1 and 2; 275.125, Subdivisions 2a, 4, 5, 8, 9, and 14; repealing Minnesota Statutes 1974, Sections 122.54 and 275.39.

Mr. Anderson moved to amend H. F. No. 1997 as follows:

Strike everything after the enacting clause and insert:

*“Section 1. Subdivision 1. Any school district which has been or will be providing educational services to Southeast Asian refugee children from Vietnam, Cambodia, Laos, or Thailand for whom English is a second language may apply before July 1, 1976 to the commissioner of education for state categorical aid. The commissioner shall review the petition by September 1, 1976 to determine whether the district has incurred or will incur additional and uncompensated costs because of the provision of these services. If the commissioner determines that the district has incurred or will incur an additional and uncompensated cost, he shall pay to the district an amount not to exceed \$40 for each Southeast Asian child served.*

*Subd. 2. All aid distributed pursuant to this section shall be utilized by a school district for the purpose of paying additional and uncompensated costs which have been or will be incurred in the provision of these services.*

*Subd. 3. Prior to January 15, 1977, the commissioner shall report to the education committees of the senate and the house of representatives on the distribution of these aids. The report shall include (a) the recipients of the aid; (b) the amounts distributed, and (c) the reasons for these distributions.*

*Sec. 2. For the 1975-76 school year, if a district provides post-secondary vocational-technical education to pupils who are not residents of that district, it shall receive foundation aid for any such pupils who qualify to attend a post-secondary vocational-technical school without tuition pursuant to section 124.565, subdivision 1 or 2.*

*Sec. 3. [3.9276] [EDUCATIONAL ALTERNATIVE PROGRAMS.] Subdivision 1. For the 1976-77 school year, the council on quality education shall make grants to not less than six pilot alternative educational programs. At least three pilot programs shall be outside the cities of the first class and the seven county metropolitan area, and at least one of those outside these areas shall be a cooperative effort among several school districts. Grants for any program shall not exceed \$3,000 per year per pupil enrolled in that program less the amount earned by that pupil for that district as foundation aid. Educational alternative programs are programs which are voluntary alternatives to mainstream educational programs and which are designed for pupils who are identified as having such learning and behavioral problems as to have little or no interest in participating in the regular school programs. At least 60 percent of the students enrolled in any such program shall have a history of appearances before a juvenile court, as*

defined in section 260.021, or contact with other agencies exercising similar corrective functions, or a verified history of serious behavioral problems. All referrals to educational alternative programs shall be made by pupil referral committees to be established by each building principal within a district receiving grants under this section. Members of these committees shall include, but not be limited to, the principal, assistant principal, counselors, school psychologists, school social worker, and other appropriate faculty and professional representatives.

Subd. 2. Notwithstanding section 3.926, subdivision 2, every educational alternative program proposal shall be submitted to the council on quality education not less than six weeks before the planned commencement of the program. The council shall prescribe the form and manner of application and shall determine the participating pilot programs. In making this determination, the council shall give preference to those programs which appear most able to coordinate their services with existing programs and other governmental agencies. The council shall report on the programs annually to the committees on education of the senate and house of representatives.

Subd. 3. Each district providing pilot programs shall establish and maintain an account separate from all other district accounts for the receipt and disbursement of all funds related to these educational alternative programs. All foundation aid or other special state aid earned for a district by a student enrolled in an educational alternative program shall be deposited by the district in the educational alternative program account and shall be used solely for the purposes of that program.

Subd. 4. A school district providing educational alternative programs shall be eligible to receive funds for these programs from other government agencies and from private sources when such funds are available.

Subd. 5. Educational alternative programs established and operational prior to the effective date of this section shall be eligible for grants under this section.

Subd. 6. The state board of education shall provide service to the pilot programs by:

(a) Applying for funds which are, or may become available under federal programs, including funds for administration, demonstration projects, training, technical assistance, planning, and evaluation;

(b) Providing professional and technical assistance.

Subd. 7. The council on quality education shall appoint an advisory council of nine members on educational alternative programs. Appointed members shall represent at least the following disciplines: corrections; juvenile justice; education; special learning and behavior problems; mental health; career counseling; and vocational education; provided that not more than five council members shall be professionally or occupationally affiliated in these disciplines. This advisory council shall expire, and the membership terms, compensation, and removal of members shall be as provided in section 15.059.

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1, is amended to read:

120.17 [HANDICAPPED CHILDREN.] Subdivision 1. [SPECIAL INSTRUCTION FOR HANDICAPPED CHILDREN OF SCHOOL AGE.] Every district shall provide special instruction and services, either within the district or in another district, for handicapped children of school age who are residents of the district and who are handicapped as set forth in section 120.03. When the provision of instruction, training, and services may result in hardship or injury to the child, the school board may appeal the mandatory provisions of Laws 1971, Chapter 689 to the commissioner of education who shall determine what provisions shall be made by the district for the education of the child. School age means the ages of four years to 21 years for children who are ~~deaf, blind, crippled or have speech defects, and five years to 21 years for mentally retarded children,~~ *handicapped as defined in section 120.03* and shall not extend beyond secondary school or its equivalent. Every district may provide special instruction and services for handicapped children who have not attained school age. Districts with less than the minimum number of eligible handicapped children as determined by the state board shall cooperate with other districts to maintain a full sequence of programs for education, training and services for handicapped children as defined in section 120.03, subdivisions 1 to 3. A district that decides to maintain programs for trainable handicapped children is encouraged to cooperate with other districts to maintain a full sequence of programs.

Sec. 5. Minnesota Statutes 1974, Section 120.17, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF SPECIAL INSTRUCTION.] Special instruction or training and services for handicapped children may be provided by one or more of the following methods:

(a) Special instruction and services in connection with attending regular elementary and secondary school classes;

(b) The establishment of special classes;

(c) Instruction and services at the home or bedside of the child;

(d) Instruction and services in other districts;

(e) Instruction and services in a state college laboratory school or a University of Minnesota laboratory school;

(f) Instruction and services in a state residential school or a school department of a state institution approved by the commissioner; or by any other method approved by him;

(g) Instruction and services in other states;

(h) Contract with public, private or voluntary agencies.

*The primary responsibility for the education of a handicapped child shall remain with the district of the child's residence regardless of which method of providing special instruction or training and services is used.*

Sec. 6. Minnesota Statutes 1974, Section 120.17, Subdivision 5, is amended to read:

Subd. 5. [SCHOOL OF PARENTS' CHOICE.] Nothing in this chapter shall be construed as preventing parents of a handicapped educable child from sending such child to a school of their choice, if they so elect, subject to admission standards and policies to be adopted pursuant to the provisions of *Minnesota Statutes, Chapter 249 sections 38 to 46 of this act*, and all other provisions of *Chapter 71, Extra Session Laws 1959 chapters 120 to 129*.

Sec. 7. Minnesota Statutes 1974, Section 120.17, is amended by adding a subdivision to read:

*Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE DEAF OR BRAILLE AND SIGHT-SAVING SCHOOL.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota school for the deaf or the Minnesota braille and sight-saving school shall be determined in the following manner:*

*(a) The legal residence of the child shall be the school district in which his parent or guardian resides;*

*(b) When it is determined pursuant to section 42, subdivision 1 or 2 of this act that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child at that school. The state board shall make a tuition charge to the child's district of residence for the actual cost of providing the program; provided, however, that the amount of tuition charged shall not exceed \$2,000 for any school year. The district of the child's residence shall pay the tuition and may claim foundation aid for the child;*

*(c) When it is determined that the child can benefit from public school enrollment but that the child should also remain in attendance at the applicable school, provision for this instruction shall be made in the following manner:*

*(1) Determination of eligibility for special instruction and services shall be made by the admissions and discharge committee. This decision shall be subject to the rules relating to due process promulgated by the state board, and shall be made only after consultation with the parents and the school district of residence;*

*(2) The school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the child's district of residence for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32;*

*(3) The district of the child's residence shall pay the tuition and other program costs including the unreimbursed transportation costs and may claim foundation aid for the child. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the education program and the state shall reimburse such district within the limits provided by law;*

*(4) If a school district pays tuition under the provisions of this clause, it shall not be charged by the state board under clause (b).*

*(d) The state board shall provide free billing services for the district where the institution is located for tuition charges to be made pursuant to clause (b), if agreeable to that district.*

Sec. 8. Minnesota Statutes 1974, Section 120.17, is amended by adding a subdivision to read:

*Subd. 9. No resident of a district who is eligible for special instruction and services pursuant to this section shall be denied provision of this instruction and service on a shared time basis because of attendance at a nonpublic school defined in section 123.932, subdivision 3.*

Sec. 9. Minnesota Statutes 1974, Section 120.17, is amended by adding a subdivision to read:

*Subd. 10. All tuition billing for the education of nonresident children pursuant to this section shall be done on uniform forms prescribed by the commissioner. The billing shall contain an itemized statement of costs which are being charged to the district of residence. One copy of each such billing shall be filed with the commissioner.*

Sec. 10. Minnesota Statutes 1974, Section 120.74, Subdivision 1, is amended to read:

120.74 [PROHIBITED FEES.] Subdivision 1. A school board is not authorized to charge fees in the following areas:

- (a) Textbooks, workbooks, art materials, laboratory supplies, towels;
- (b) Supplies necessary for participation in any instructional course except as authorized in sections 120.73 and 120.75;
- (c) Field trips which are required as a part of a basic education program or course;
- (d) Graduation caps, gowns, any specific form of dress necessary for any educational program, and diplomas;
- (e) Instructional costs for necessary school personnel employed in any course or educational program required for graduation;
- (f) Library books required to be utilized for any educational course or program;
- (g) Admission fees, dues, or fees for any activity the pupil is required to attend;
- (h) Any admission or examination cost for any required educational course or program;
- (i) Locker rentals ;
- (j) School transportation and related services for which the district is authorized to receive transportation aid pursuant to section 124.223 or for hazardous transportation for which a district may levy pursuant to section 275.125, subdivision 5.*

Sec. 11. Minnesota Statutes 1974, Section 121.21, is amended by adding a subdivision to read:

*Subd. 4a. No district shall expend funds from any source for construction of, additions to or expansion of facilities of an area voca-*

*tional-technical school without the approval of the state board if the construction, addition or expansion requires the expenditure of an amount equal to or greater than \$75 per pupil unit in average daily membership in the school or changes the perimeter walls of an existing facility. No construction, addition or expansion which requires the expenditure of less than \$75 per pupil unit and does not change a perimeter wall shall be carried out without the approval of the commissioner of education.*

**Sec. 12. [121.90] [DEFINITIONS.]** *“Receivables”, “liabilities”, “fund balances”, “revenues” and “expenditures” have the meanings specified in the Uniform Financial Accounting and Reporting system for Minnesota School districts unless otherwise provided by law.*

**Sec. 13. [121.91] [ADVISORY COUNCIL ON UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS.]** *Subdivision 1. There is created an advisory council on uniform financial accounting and reporting standards, composed of 13 members appointed as follows:*

*(1) Two employees of the state department of education appointed by the commissioner of education;*

*(2) An employee of the office of state auditor appointed by the state auditor;*

*(3) One licensed certified public accountant appointed by the state board of education;*

*(4) Nine persons who are representative of the various size school districts in the state and who are public school employees whose positions involve activities related to school financing and accounting, appointed by the state board.*

*Professional associations composed of persons eligible to be appointed under clauses (3) and (4) may recommend nominees from their associations to the state board.*

*Subd. 2. The council shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059. The state board shall determine the length of terms of the initial members consistent with section 15.059.*

*Subd. 3. The council shall annually select a chairman and secretary from its membership. Meetings shall be held at the call of the chairman.*

**Sec. 14. [121.92] [UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS.]** *Subdivision 1. The council shall recommend to the state board uniform financial accounting and reporting standards for school districts. Prior to October 1, 1976, the state board shall adopt uniform financial accounting and reporting standards which are consistent with this act and with generally accepted accounting principles and practices. The standards so adopted shall be known as the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

*Subd. 2. The state board shall meet the requirements of chapter 15 in the adoption and revision of these standards. All substantive inter-*

*pretations of these standards by the department shall be published in the state register.*

**Sec. 15. [121.93] [REVENUE RECOGNITION.] Subdivision 1.** *School district revenues shall be recognized and reported on the district books of account in accordance with this section.*

*Subd. 2. Revenues shall be recorded in a manner which clearly indicates that they are applicable to a specific accounting period and fund.*

*Subd. 3. Receivables shall be recorded in a manner which clearly reflects amounts of money due to a particular fund from public and private sources at the date of each accounting statement.*

*Subd. 4. All current levies of local taxes, including portions assumed by the state, shall be recognized as receivable at the beginning of the calendar year during which collection normally takes place. Such receivables shall be reserved for use in the subsequent fiscal year. Payments of current taxes including but not limited to March personal property tax settlements, received prior to July 1, shall be recorded as revenue to be earned as of July 1 with appropriate adjustments to the receivables and the reserves for such taxes. All current taxes received prior to July 1 plus the balance of the reserves shall be recognized as revenue on July 1.*

*Subd. 5. Foundation aid, endowment fund apportionment, and guarantee aid shall be recognized as revenue of the fiscal year for which the aids are designated by statute.*

*Subd. 6. Transportation aids, including depreciation aid, and any categorical aids not otherwise provided for in this section shall be recognized as revenue of the fiscal year for which these aids are designated by statute.*

*Subd. 7. Summer school aids shall be recognized as revenues and recorded as receivables during the fiscal year in which the summer school session ends; provided that nothing in this subdivision shall be construed to provide for a different rate of aid than that provided in section 124.20.*

*Subd. 8. "Categorical reimbursement" aids are those aids for which the expenditures of the prior fiscal year are used only for determination of the amount. These aids shall be recognized as revenues and recorded as receivables in the fiscal year designated for payment.*

*Subd. 9. Interest shall be recognized in the fiscal year during which earned, and shall be allocated proportionately to the funds from which the resources were invested.*

*Subd. 10. Federal aids or grants shall be recognized as revenues and recorded as receivables in the fiscal year during which the eligible expenditures are recognized.*

*Subd. 11. State aids or grants, that are paid as a matching of an expenditure, shall be recognized as revenues and recorded as receivables in the fiscal year during which the eligible expenditure is recognized.*

*Subd. 12. Other revenues not specified in this section shall be recognized as revenues and shall be recorded in the fiscal year earned.*

*Subd. 13. Deviations from the principles set forth in this section shall be evaluated and explained in footnotes to audited financial statements.*

*Subd. 14. The state board shall specify the fiscal year or years to which the revenue from any aid or tax levy is applicable if Minnesota Statutes do not so specify.*

**Sec. 16. [121.94] [EXPENDITURE RECOGNITION.] Subdivision 1.** *School district expenditures shall be recognized and reported on the district books of account in accordance with this section.*

*Subd. 2. There shall be fiscal year-end recognition of expenditures and the related offsetting liabilities recorded in each fund in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

*Subd. 3. Purchase orders, itemized in detail, for other than inventory supply items, which are issued to outside vendors and based on firm prices shall be recorded as expenditures in the fiscal year designated at the time of the issuance of the order.*

*Subd. 4. Inventory supply items may be recorded as expenditures at the time of the issuance of the purchase order or at the time of delivery to the school district's subordinate unit or other consumer of the item.*

*Subd. 5. Salaries and wages shall be recorded as expenditures in the fiscal year in which the personal services are performed.*

*Subd. 6. Other payable items shall be recorded in the fiscal year in which the liability is incurred.*

*Subd. 7. Deviations from the principles set forth in this section shall be evaluated and explained in footnotes to audited financial statements.*

**Sec. 17. [121.95] [REQUIREMENT FOR ACCOUNTING, BUDGETING AND REPORTING.] Subdivision 1.** *On or before June 30, 1977, each Minnesota school district shall adopt the Uniform Financial Accounting and Reporting System for Minnesota School Districts provided for in section 14 of this act.*

*Subd. 2. [UNAUDITED FINANCIAL STATEMENTS.] Each Minnesota school district shall submit to the commissioner by August 15, 1977 and August 15 of each year thereafter, an unaudited financial statement for the preceding fiscal year. This statement shall be submitted on forms prescribed by the commissioner after consultation with the advisory council on uniform financial accounting and reporting standards.*

*Subd. 3. [AUDITED FINANCIAL STATEMENTS.] Prior to June 30 of the calendar year following the submission of the unaudited financial statement, the school district shall provide to the commissioner and state auditor an audited financial statement prepared in a form which will allow comparison with and correction of the unaudited statement.*

*Subd. 4. [BUDGET REPORTING.] Each Minnesota school district shall submit to the department by August 15, 1977, and by August*

15 of each year thereafter, on forms prescribed by the commissioner, the revenue and expenditure budgets adopted for that fiscal year.

*Subd. 5. All governmental units formed by joint powers agreements entered into by school districts pursuant to Minnesota Statutes, Sections 120.17, 123.351, 471.59, or any other law shall be subject to the provisions of this section.*

**Sec. 18. [121.96] [CASH FLOW; SCHOOL DISTRICT REVENUES; BORROWING FOR CURRENT OPERATING COSTS.]**  
*Subdivision 1. The commissioner of finance shall remit all payments of state aids to school districts in conformance with the dates provided by law or, when not so provided, with a schedule of aid payments to be established by the commissioner of education in consultation with other affected state agencies.*

*Subd. 2. The auditors or finance officers of Minnesota counties shall remit all payments of taxes to the school districts in conformance with the provisions of section 276.11. School districts which have need for tax remittance advances may secure them from the counties by making formal requests in conformance with section 276.11.*

*Subd. 3. Minnesota school districts may issue tax and aid anticipation certificates in conformance with the provisions of sections 124.71 to 124.781, with the additional provision that the proceeds of such borrowing or any other method of borrowing shall be recorded as liabilities of funds for which the taxes were levied, or for which the aids are receivable. Nothing in this subdivision shall provide authority for borrowing against the tax levies and aids of one school district fund for the purpose of increasing the available cash balance of another fund.*

*Subd. 4. Unless otherwise provided by law, no district shall, for the purpose of increasing the available cash balance of another fund, borrow or transfer funds from the building construction fund, debt redemption fund, trust and agency fund, or from any sinking fund for outstanding bonds issued for any purpose. However, if the contemplated use for which funds were originally placed in the building construction fund or a sinking fund is afterwards abandoned or if a balance remains after the use is accomplished, a district may devote these funds as provided in section 475.65. For the purpose of insuring fund integrity, separate bank accounts shall be maintained for building construction funds, debt redemption funds, trust and agency funds, and sinking funds for outstanding bonds. Nothing in this subdivision shall be construed to prohibit the use of common bank accounts for other funds unless prohibited by law.*

**Sec. 19. [121.97] [STATUTORY OPERATING DEBT.]**  
*Subdivision 1. The "statutory operating debt" of a school district means the net negative fund balance in all school district funds, other than capital expenditure, building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated as of June 30 of each year in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

*Subd. 2. The commissioner shall establish a uniform auditing or other verification procedure for school districts to determine whether*

a statutory operating debt exists in any Minnesota school district as of June 30, 1977. The standards for this uniform auditing or verification procedure shall be promulgated by the state board pursuant to chapter 15. If a school district applies to the commissioner for a statutory operating debt verification or if the unaudited financial statement for the school year ending June 30, 1977 reveals that a statutory operating debt might exist, the commissioner shall require a verification of the amount of the statutory operating debt which actually does exist.

Subd. 3. If an audit or other verification procedure conducted pursuant to subdivision 2 determines that a statutory operating debt exists and does not come within the provisions of subdivision 4, a district shall follow the procedures set forth in section 56 of this act to eliminate this operating debt.

Subd. 4. If the amount of the statutory operating debt verified pursuant to subdivision 2 is less than three percent of the most recent fiscal year's expenditure amount for the funds considered under subdivision 1, the net negative fund balance shall not qualify as statutory operating debt for the purposes of this section and sections 20 and 56 of this act.

Subd. 5. The commissioner of education shall certify the amount of statutory operating debt for each school district. Prior to June 30, 1979, the commissioner may, on the basis of corrected figures, adjust the total amount of statutory operating debt certified for any district.

Subd. 6. On January 15, 1998, the commissioner of education shall report to the legislature on the districts for which the levy allowable under section 56 of this act has been insufficient to eliminate the statutory operating debt of the district, determined as of June 30, 1977.

Subd. 7. This section and the provisions of section 56 of this act shall be applicable only to common, independent, and special school districts and districts formed pursuant to Laws 1967, Chapter 822, as amended, and Laws 1969, Chapters 775 and 1060, as amended. This section and the provisions of section 56 of this act shall not apply to Independent School District No. 625.

Subd. 8. Any district eligible to receive any amounts pursuant to section 56 of this act shall disclose its statutory operating debt retirement plan by footnote to the audited financial statement.

Sec. 20. [121.98] [EXPENDITURE LIMITATIONS.] Subdivision 1. (a) Beginning in fiscal year 1978 and each year thereafter, a district which had statutory operating debt on June 30, 1977 pursuant to section 19 of this act shall limit its expenditures in each fiscal year to the amount of revenue recognized in the same fiscal year in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.

(b) The expenditures of a district for each fiscal year shall be limited so that the amount of its statutory operating debt calculated for that fiscal year pursuant to section 19 of this act is not greater than the amount of the district's statutory operating debt as of June 30, 1977, as certified and adjusted by the commissioner;

(1) reduced by an amount equal to the cumulative entries to that district's "Reserve Account for Reducing Operating Debt";

(2) increased by an amount equal to two and one half percent of that district's operating expenditures for the fiscal year immediately preceding the fiscal year for which the statutory operating debt calculation is being made.

(c) When a district is no longer required to levy pursuant to section 56 of this act, subdivision 2 of this section shall be applicable.

Subd. 2. Beginning in fiscal year 1978 and each year thereafter, any district not subject to subdivision 1 shall limit its expenditures so that its appropriate fund balances shall not constitute statutory operating debt as defined and limited in section 19 of this act.

Subd. 3. If a school district does not limit its expenditures in accordance with this section, the commissioner shall so notify the appropriate committees of the legislature by no later than January 1 of the year following the end of that fiscal year.

Sec. 21. [121.99] [PARTICIPATION IN COMPUTER SYSTEMS.] Subdivision 1. On or before July 1, 1980, all Minnesota school districts shall convert financial accounting and reporting operations to a computer based financial management accounting and reporting system utilizing regional or other computing facilities and utilizing accounts and records defined in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.

Subd. 2. After July 1, 1980, participation in a computer based financial management accounting and reporting system shall be mandatory. The form of this participation shall be appealable to the commissioner.

Sec. 22. Minnesota Statutes 1974, Section 123.37, Subdivision 1, is amended to read:

123.37 [INDEPENDENT SCHOOL DISTRICTS, CONTRACTS.] Subdivision 1. No contract for work or labor, or for the purchase of furniture, fixtures, or other property, except books registered under the copyright laws, or for the construction or repair of school houses, the estimated cost or value of which shall exceed: (a) \$3,000 for school districts with an enrollment of students in grades 1 to 12 of less than 10,000, or (b) \$5,000 for all other school districts that specified in section 471.345, subdivision 3, shall be made by the school board without first advertising for bids or proposals by two weeks' published notice in the official newspaper. Such notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

Such additional publication in the official newspaper or elsewhere may be made as the board shall deem necessary.

After taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids, every such contract shall be awarded to the lowest responsible bidder, duly executed in writing, and the person to whom the same is awarded shall give a sufficient bond to the board for its faithful performance, and otherwise conditioned as required by

law. A record shall be kept of all bids, with names of bidders and amount of bids, and with the successful bid indicated thereon. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid shall be rejected unless the alteration or erasure is corrected as herein provided. An alteration or erasure may be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid. In the case of identical low bids from two or more bidders, the board may, at its discretion, utilize negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price. In the case where only a single bid is received, the board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not exceed the original bid. If no satisfactory bid is received, the board may readvertise. Standard requirement price contracts established for supplies or services to be purchased by the district shall be established by competitive bids. Such standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts shall not exceed two years with an option on the part of the district to renew for an additional two years. Provided that in the case of purchase of perishable food items except milk for school lunches and vocational training programs a contract of any amount may be made by direct negotiation by obtaining two or more written quotations for the purchase or sale, when possible, without advertising for bids or otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof.

Every contract made without compliance with the provisions of this section shall be void. Provided, that in case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.

Firm bid contracts for the purchase of milk and ice cream renegotiated between August 25, 1973 and July 1, 1974 which provide for a price increase or decrease based upon a demonstrable industrywide or regional increase in the vendor's costs are valid and not void under this subdivision; provided that the adjustment shall not exceed the increase or decrease authorized in the applicable federal marketing order for raw milk; and provided further that a school district which did not renegotiate its contract before February 1, 1974, shall not adjust its contract to provide for price increases or decreases for purchases made before February 1, 1974.

Sec. 23. Minnesota Statutes 1974, Section 123.37, Subdivision 1b, is amended to read:

Subd. 1b. Notwithstanding the provisions of subdivision 1 or

section 471.345 , a contract for the transportation of school children may be made either by direct negotiation , by obtaining two or more written quotations for the service , when possible, or upon sealed bids. At least 30 days before awarding a directly negotiated contract, the school district shall, by published notice, request quotations for the service to be provided. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. If a contract is made by direct negotiation, negotiations shall be carried on at a meeting of the school board open to the public. If a contract is made upon sealed bids, the procedure for advertising and awarding bids shall conform to the provisions of subdivision 1.

Sec. 24. Minnesota Statutes, 1975 Supplement, Section 124.04, is amended to read:

124.04 [CAPITAL EXPENDITURE TAXING AUTHORITY.] In addition to the tax levy prescribed by law for general and special school purposes, the board of any district may levy annually an amount such that the sum of the levy and attached machinery aid for capital outlay purposes calculated pursuant to section 273.138, subdivision 3, clause (1), shall not exceed *the greater of \$70 per pupil unit or, in 1976 and 1977, \$70 per 1975-76 pupil unit or, in districts where the pupil unit count is increased pursuant to section 124.17, subdivision 1, clause (7), \$75 per pupil unit.* No levy under this section shall exceed 10 mills on each dollar of assessed valuation of the taxable property in the district as adjusted for the preceding year by the equalization aid review committee notwithstanding the provisions of sections 272.64 and 275.49 ; ~~provided that said levy may not exceed by more than two mills (three mills if the district adds units pursuant to section 124.17, subdivision 1 clause (7)) the levy under this section in the previous year and provided further that any district which did not levy pursuant to this section in 1972 may certify a maximum levy of six mills not to exceed \$65 per pupil unit in 1974 .~~ The tax so levied shall be collected in the manner provided by law for the collection of school taxes. The proceeds of the tax may be used only to acquire land, improve and repair school sites, to equip, re-equip, repair and improve buildings and permanent attached fixtures, and to pay leasing fees for computers and computer services. Subject to the commissioner's approval, the tax proceeds may also be used to rent or lease buildings for school purposes and to acquire or construct buildings. The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

The proceeds of the tax shall not be used for custodial or other maintenance services.

Sec. 25. Minnesota Statutes, 1975 Supplement, Section 124.17, Subdivision 2, is amended to read:

Subd. 2. Membership for pupils in grades kindergarten through twelve and for handicapped prekindergarten pupils shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall

mean the day the pupil permanently leaves the school or the date it is officially known that the pupil has left or has been legally excused; provided that any pupil, regardless of age, who has been absent from school without a legally justifiable excuse for 15 consecutive school days shall be dropped from the roll and classified as withdrawn. Nothing in Extra Session Laws 1971, Chapter 31, shall be construed as waiving the compulsory attendance provisions cited in section 120.10. Average daily membership shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in the district's schools divided by the number of days said schools are in session. For districts operating 12 months schools, days schools are in session shall mean the number of session days required by section 124.19, subdivision 1. The average daily membership of a pupil enrolled on a shared time basis shall equal the ratio of the total minutes for which such pupil is enrolled and the minimum minutes required during the year for a regularly enrolled public school pupil. Foundation aid for shared time pupils shall equal the amount which would accrue if shared time pupil units, counted pursuant to *subdivision 1, clauses (1) and (2) of this section*, were added to the district's total pupil units used in determining its foundation aid. *Foundation aid for shared time pupils shall be in addition to any other aid to which the district is otherwise entitled and shared time pupil units shall not be used for any other computation under subdivision 1 or for any computation under section 124.04.* A district shall not be entitled to transportation aid under section ~~124.22~~ 124.222 for pupils enrolled on a shared time basis unless the statutes specifically provide for transportation aid to such student. This subdivision shall be effective July 1, 1975 as applied to shared time foundation aid and July 1, 1976 as applied to pupils in area vocational-technical schools.

Sec. 26. Minnesota Statutes, 1975 Supplement, Section 124.212, Subdivision 8a, is amended to read:

Subd. 8a. (1) Notwithstanding any provisions of any other law to the contrary, the adjusted assessed valuation used in calculating foundation aid shall include only that property which is currently taxable in the district. For districts which received payments under sections 124.215, subdivision 2a; 124.25; 124.30; ~~360.133~~ 473.633 ; ~~369.135~~ 473.635 ; and 124.28; the foundation aid shall be reduced by: The previous year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125, but not to exceed 45 percent in 1975-1976 and 50 percent in 1976-1977 of the previous year's payment.

(2) For districts which received payments under sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; any law imposing a tax upon severed mineral values, or under any other distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; the foundation aid shall be reduced in the August adjustment payment by the previous fiscal year's payment to the

district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125 for collection in the calendar year ending during the aforementioned fiscal year, but not to exceed 40 percent in the August 1975 adjustment, 45 percent in the August 1976 adjustment, and 50 percent in the August 1977 adjustment of the previous fiscal year's payment.

Sec. 27. Minnesota Statutes 1974, Section 124.222, is amended by adding a subdivision to read:

*Subd. 6. No district may charge a fee for school transportation and related services for which the district is authorized to receive transportation aid pursuant to section 124.223 or for hazardous transportation for which the district may levy pursuant to section 275.125, subdivision 5.*

Sec. 28. Minnesota Statutes, 1975 Supplement, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.] For the 1974-1975 school year and thereafter, school transportation and related services for which state transportation aid is authorized are:

(1) Transportation or board of resident pupils who reside one mile or more from the public schools which they could attend, or transportation to, from, or between the schools they attend pursuant to a program approved by the commissioner of education, or who reside one mile or more from a private school actually attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to private school pupils;

(2) Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) Transportation for residents to and from a state board approved secondary vocational center;

(4) Transportation or board and lodging of a handicapped pupil when he cannot be transported on a regular school bus, and the conveying of handicapped pupils between home and school and within the school plant;

(5) When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) Transportation for resident pupils to and from an instructional community-based employment station which is part of an approved occupational experience secondary vocational program;

(7) Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education;

(8) *Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;*

~~(8)~~ (9) *Services described in clauses (1) to ~~(7)~~ (8) when provided in conjunction with a state board approved summer school program.*

Sec. 29. Minnesota Statutes, 1975 Supplement, Section 124.26, is amended by adding a subdivision to read:

*Subd. 4. [PAYMENT SCHEDULE.] The state shall pay to each school district 30 percent of its estimated adult education aid entitlement for the fiscal year on or before each of the following dates: September 30, December 31, and March 31. The actual balance due the district shall be paid on or before August 31 of the following fiscal year.*

Sec. 30. Minnesota Statutes, 1975 Supplement, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. In fiscal year 1977 and each year thereafter, the state shall pay 50 cents per capita to each school district which is operating a community school program in compliance with the rules and regulations established by the state board and which has levied ~~at least~~ *lesser of the \$1 per capita or the maximum permissible certified levy* for community services pursuant to section 275.125, subdivision 8, for use in that year.

Sec. 31. Minnesota Statutes 1974, Section 124.32, as amended by Laws 1975, Chapter 432, Sections 48 to 50, is amended to read:

124.32 [HANDICAPPED CHILDREN.] Subdivision 1. The state shall pay to any school district and ~~unorganized territory;~~ ~~(a)~~ *for the employment in its educational program for handicapped children, 65 percent of the salary of essential personnel employed by the district in that school year in its educational programs for handicapped children*, but this amount shall not exceed \$10,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, including but not limited to summer school; ~~(b)~~ *for the employment of an individual jointly with another district or districts or unorganized territory in its educational program for handicapped children, 65 percent of the salary of essential personnel, but this amount shall not exceed \$10,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time including but not limited to summer school. This provision shall apply whether the essential personnel are employed by a district alone or jointly with another district or districts.*

Subd. 2. The state shall reimburse each district or unorganized territory for supplies and equipment purchased or rented for use in the instruction of handicapped children in the amount of one-half of the sum actually expended by the district or unorganized territory but not to exceed an average of \$50 in any one school

*year for each handicapped child receiving instruction. The state shall pay to any school district providing educational programs for handicapped children 50 percent of the sum actually expended by the district in that school year for the purchase or rental of supplies and equipment exclusively used in these educational programs, but this amount shall not exceed an amount equal to \$50 per school year for each handicapped child receiving special instruction and services.*

*Upon following such procedure as requested by the commissioner of education and the filing of an estimated budget, a district may bill the state for its entitlement under this subdivision. If the aid paid exceeds this entitlement, the excess amount shall be deducted from the August payment, or the aid payment of any future school year in which the fact that this excess payment was made is discovered.*

Subd. 3a. The purpose of this subdivision is to change the method of funding of educational programs for handicapped children from reimbursement based on past expenditures to a current funding basis. Beginning July 1, 1976, the state shall not reimburse expenditures from the 1975-1976 school year programs, including 1976 summer school programs, but shall pay aids for the 1976-1977 school year programs and for each year thereafter on a current funding basis.

Subd. 4. The aids provided for handicapped children shall be paid to the district providing the special instruction and services. Foundation aid shall be paid to the district or ~~unorganized territory~~ of the pupils' residence. The total amount of aid paid may not exceed the amount expended for handicapped children ~~for~~ in the school year for which the aid is paid. *If the aid paid does exceed the amount expended, the excess amount shall be deducted from the August payment, or the aid payment of any future school year in which the fact that this excess payment was made is discovered.*

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay to the resident district not to exceed 65 percent of instructional costs charged to the resident district, less the foundation aid per pupil unit payable to the resident district. Not more than \$400,000 shall be spent annually for purposes of implementing this subdivision. If that amount does not suffice, the aid shall be pro rated among all qualifying districts.

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by a public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children, either within or outside of the state, or, a state residential school outside of the state.

(b) A private, nonsectarian residential facility designed to provide educational services for handicapped children either within or outside of the state.

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Subd. 6. The state shall ~~reimburse pay~~ each district or ~~unorganized territory~~ the actual cost incurred in providing instruction and services for a handicapped child whose district of residence has been determined by sections 120.17, subdivisions 7 or 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following such procedure as requested by the commissioner of education *and the filing of an estimated budget*, a district or ~~unorganized territory~~ providing instruction and services for such handicapped child may bill the state the actual cost incurred in providing said services including transportation costs and a proportionate amount of capital outlay and debt service, minus the amount of foundation aid, special education aid, transportation aid, and any other aid earned in behalf of such child, ~~such action pursuant.~~ *The total amount of aid paid shall be subject to the limits set forth in section 124.32, subdivision 4.*

Subd. 7. [PAYMENT SCHEDULE.] *Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, the state shall pay to each school district ten percent of the estimated aids to handicapped children in each of the months from September through May based on information available and the final distribution shall be made in August of the following year.*

Sec. 32. Minnesota Statutes, 1975 Supplement, Section 124.561, Subdivision 3, is amended to read:

Subd. 3. [BUDGETS.] Before January 1, 1976, and before January 1 of each year thereafter post-secondary vocational-technical school budgets for the following fiscal year shall be submitted to the state board for vocational education. The state board for vocational education shall approve the budgets for each district *at prior to June 1 of each year after a consolidated public hearing held pursuant to chapter 15, which shall be held prior to June 1 of each year and which shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard subdivision 3a of this section.* The total amount of reimbursement payments approved for fiscal year 1975 payable in fiscal year 1976 shall not exceed by more than 14 percent the amount appropriated for post-secondary vocational-technical education for payment in fiscal year 1975. No district shall increase its operating deficit during fiscal year 1976 unless authorized to do so by the state board for vocational education. The state board for vocational education shall before September 1, 1975 promulgate rules and regulations which establish the approval criteria for budgets, including responsiveness to current and projected manpower needs of population groups to be served in the various geographic areas and communities of the state, particularly disadvantaged and handicapped persons; adequacy of evaluation of programs; and other criteria set forth in the state plan for vocational education. The commissioner, in cooperation with the

department of finance, shall establish program budget standards by which area vocational-technical institutes shall submit financial requests.

Sec. 33. Minnesota Statutes, 1975 Supplement, Section 124.561, is amended by adding a subdivision to read:

*Subd. 3a. The consolidated public hearing held by the state board pursuant to subdivision 3 of this section shall take place with at least six board members present and shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard. Notice of intention to hold the hearing shall be given at least 20 days prior to the date set for the hearing by United States mail to each district submitting a post-secondary vocational school budget, to other interested persons, representatives, and organizations who register their names with the commissioner of education for that purpose, and in the state register. The department of education shall make available at least one free copy of the proposed disposition of budgets to any person requesting it. Unless the commissioner determines that the use of an audio magnetic recording device is more appropriate, a court reporter shall keep a record at every hearing. A transcript of the hearing record shall be made available upon the request of any person, provided that the request is in writing and the cost of preparing the transcript is borne by the requesting person. After allowing written material to be submitted and added to the hearing record for five days after the public hearing ends, the commissioner of education shall proceed as promptly as possible to write a report containing the proposed final disposition of budgets. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the proposed final disposition. The report shall be available to all affected school districts upon request for at least 15 days before the state board takes final action on the budgets. Any district which is adversely affected by the proposed final disposition of budgets may demand and shall be given an opportunity to be heard in support of modification of the proposed disposition at the meeting at which the state board takes final action on the budgets; provided, the state board may place reasonable restrictions on the length of time allowed for testimony.*

Sec. 34. Minnesota Statutes, 1975 Supplement, Section 124.562, Subdivision 2, is amended to read:

*Subd. 2. Membership for pupils in post-secondary vocational-technical schools shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that he has left or has been legally excused; provided that any pupil, regardless of age, who has been absent from school without a legally justifiable excuse for 15 consecutive school days shall be dropped from the roll and classified as withdrawn. No pupil who is counted in average daily membership pursuant to this section shall be counted in average daily membership in any district pursuant to section 124.17, subdivision 2. Average daily member-*

ship shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in a post-secondary vocational-technical school in a district divided by 175 , unless he is eligible to earn foundation aid pursuant to section 120.80 or is attending a post-secondary vocational-technical school course on a part time basis in addition to spending six hours per day in a secondary program . Average daily membership for pupils who are enrolled on a part time basis in post-secondary vocational-technical schools , but not including adult vocational pupils, shall equal (a) the sum for all pupils of the number of days of the school year each pupil is enrolled in a post-secondary vocational-technical school in the district times the number of hours per day each student is enrolled divided by the number of hours the school is in session per day six (b) divided by 175 ; provided the number of hours which are counted for average daily membership for any pupil in any one program shall in no event exceed the number of hours approved by the state board for completion of the program . For a post-secondary vocational-technical school, the normal school year shall be at least the number of session days required by section 124.19, subdivision 1. In all post-secondary vocational-technical schools, the minimum length of the school day for each pupil, exclusive of the noon intermission, shall be six hours. Exceptions may be made by the local school administration for approved programs to meet individual student needs.

Sec. 35. Minnesota Statutes, 1975 Supplement, Section 124.563, Subdivision 3, is amended to read:

Subd. 3. Post-secondary vocational categorical and capital expenditure aid shall be apportioned by the state board for vocational education at the consolidated public hearing held pursuant to section 124.561, subdivision 3. All post-secondary vocational categorical and capital expenditure aid approved at this public hearing shall be distributed to the districts on or before August 1, December 1, March 1 and June 1 of each year. Additional post-secondary vocational categorical and capital expenditure aid may be distributed on or before March 1 and June 1 of each year if it is apportioned at a consolidated public hearing held in before February pursuant to chapter 15 15 of that year in the manner specified in section 124.561, subdivision 3a . On the date of each post-secondary vocational categorical and capital expenditure aid payment, the state board shall report to the appropriate committees of the legislature on the distribution of post-secondary vocational categorical and capital expenditure aid. The report shall include (a) the recipients of the aid; (b) the amounts distributed, and (c) the reasons for these distributions.

Sec. 36. Minnesota Statutes, 1975 Supplement, Section 124.565, Subdivision 2, is amended to read:

Subd. 2. Any person who has attained his 21st birthday and who would, but for that fact, qualify under subdivision 1 to attend a post-secondary vocational-technical school without tuition, may attend the school without tuition subject to the other provisions of this subdivision , if he entered active military service

in any branch of the armed forces of the United States before his 21st birthday, *was a Minnesota resident at the time of induction into the armed forces and had been a Minnesota resident during the six months immediately preceding induction, and who has then been separated or discharged from active military service under conditions other than dishonorable, and if he applies for admission to the school before his 29th birthday. Time after separation or discharge from military service spent as an in-patient in a hospital or similar institution for treatment of an illness or disability or in recovery from an illness or disability that prevents gainful occupation or study shall be added to the time allowed for application.*

Sec. 37. Minnesota Statutes 1974, Chapter 124, is amended by adding a section to read:

[124.566] *The state board for vocational education may transfer unused post-secondary vocational categorical aid to the post-secondary vocational foundation aid account should an increase in average daily membership cause a deficiency in post-secondary vocational foundation aid in the 1976-77 school year. This section shall expire June 30, 1977.*

Sec. 38. [128A.01] [LOCATION.] *The Minnesota school for the deaf and the Minnesota braille and sight-saving school shall be continued at Faribault, and shall be grouped and classed with the educational institutions of the state.*

Sec. 39. [128A.02] [TRANSFER OF AUTHORITY.] *Subdivision 1. The state board of education shall be responsible for the control, management and administration of the Minnesota school for the deaf and the Minnesota braille and sight-saving school, and all the property real or personal appertaining thereto.*

*Subd. 2. The state board shall promulgate rules regarding the maintenance and conduct of both schools and the individuals in attendance, and shall perform all duties necessary to provide the most beneficial and least restrictive program of education for each child handicapped by visual disability or hearing impairment.*

*Subd. 3. The state board may employ central administrative staffs and other personnel as necessary to provide and support programs and services in each school. The state board may discharge staff and personnel pursuant to provisions of law applicable to independent school districts. These schools shall be deemed to be public schools for the purposes of sections 125.03 and 125.04, and all teachers as defined in those sections who are employed at these schools shall be subject to the standards of the board of teacher standards and certification and the state board of education; provided that any teacher who does not meet these standards as of the effective date of this section shall be required to meet these standards by September 15, 1978 in order to continue in employment.*

*Subd. 4. The state board may enter into contracts with other public and private agencies and institutions to provide residential*

and building maintenance services if it determines that these services could thus be provided in a more efficient and less expensive manner.

Sec. 40. [128A.03] [ADVISORY COUNCILS.] *Subdivision 1. The state board of education shall appoint an advisory council on the Minnesota school for the deaf and an advisory council on the Minnesota braille and sight-saving school. These councils shall advise the state board in all matters pertaining to the control, management, and administration of these schools.*

*Subd. 2. Each advisory council shall consist of seven members. The members shall be representative of the various geographic regions of the state, shall include parents or guardians of visually disabled or hearing impaired children, and shall include two representatives from groups representing the interests of visually disabled or hearing impaired individuals, as applicable. All members shall have knowledge, experience and interest in the problems of visually disabled or hearing impaired children.*

*Subd. 3. The councils shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.*

*Subd. 4. The advisory council of each school shall audit all expenses incurred by each school and shall oversee the development of the annual budget request which shall be submitted to the state board. Each respective council shall make recommendations pertaining to the employment of all staff at each school including hiring, salaries, fringe benefits, and personnel policies. Each council shall also make recommendation for rules and regulations regarding the maintenance of each school and the children in attendance.*

Sec. 41. [128A.04] [GIFTS AND CONVEYANCES.] *The state board of education shall take and hold in trust all lands or other property granted, given, devised, or conveyed to the schools, or to either of them. All moneys and securities so received and all income from this property shall be deposited in the state treasury in compliance with section 16.18, subject to the order of the state board.*

Sec. 42. [128A.05] [ATTENDANCE.] *Subdivision 1. [SCHOOL FOR THE DEAF.] Any individual who is between four and 21 years of age who is deaf or hearing impaired shall be entitled to attend the school for the deaf if it is determined pursuant to the rules relating to due process promulgated by the state board that the nature or severity of the hearing impairment is such that education in regular or special education classes provided by the school district cannot be achieved satisfactorily and that attendance at the school would be the least restrictive alternative for that individual. Nothing in this subdivision shall be construed as a limitation on the attendance at this school of children who have other handicaps in addition to being deaf or hearing impaired.*

*Subd. 2. [BRAILLE AND SIGHT-SAVING SCHOOL.] Any individual who is between four and 21 years of age who is blind or visually disabled shall be entitled to attend the braille and sight-saving school if it is determined pursuant to the rules relating to due process promulgated by the state board that the nature or severity of the visual*

*impairment is such that education in regular or special education classes provided by the school district cannot be achieved satisfactorily and that attendance at the school would be the least restrictive alternative for that individual. Nothing in this subdivision shall be construed as a limitation on the attendance at this school of children who have other handicaps in addition to being blind or visually disabled.*

*Subd. 3. Attendance at the school for the deaf and the braille and sight-saving schools shall be subject to the compulsory attendance provisions of section 120.10 except that attendance may be excused pursuant to that section by the commissioner of education or his designee. Any person failing to comply with the provisions of section 120.10 shall be subject to the provisions of section 120.12. The superintendent of the applicable school shall exercise the duties imposed by section 120.12. Attendance at the school for the deaf or the braille and sight-saving school shall fulfill the mandatory requirements of section 120.17.*

**Sec. 43. [128A.06] [ADMITTANCE AND DISCHARGE.]** *Subdivision 1. The admissions and discharge committee of each school shall include the field consultant of the applicable school and four members who are knowledgeable in the fields of hearing impairment or visual disability, as applicable, to be appointed by the state board.*

*Subd. 2. Preliminary application for admission shall be made by June 1 upon the appropriate forms provided by the field consultant or the district superintendent. The admissions and discharge committee shall make its recommendations by July 1. An admittance shall be provisional until it is determined that that individual comes within the provisions of section 42, subdivisions 1 or 2 of this act.*

*Subd. 3. An individual in attendance at either school prior to the effective date of this section shall be entitled to continue in attendance without reapplication provided that it is determined by September 1, 1977 that that individual comes within the provisions of section 42, subdivision 1 or 2 of this act.*

*Subd. 4. The progress of an individual in attendance at either school shall be evaluated monthly by the professional staff of that school. The individual shall be returned to the district of residence when deemed appropriate by the admissions and discharge committee. This decision shall be subject to the rules relating to due process promulgated by the state board, and shall be made only after consultation with the parents and the school district of residence.*

**Sec. 44. [128A.07] [EXPENSE OF PUPILS.]** *Any individual attending the school for the deaf or the braille and sight-saving school shall be provided, by the person legally liable for his support, with sufficient funds to furnish him with proper clothing, postage, and necessary incidental expenses. If the person legally liable for his support is unable to make these provisions for him, the county welfare board of the county of which he is a resident shall pay to the superintendent of the school in which he is a pupil a sum to be fixed by the commissioner of education pursuant to rules promulgated by the state board. In addition, the school district of residence shall be liable for the actual transportation of the pupil to and from the school in which he is a pupil.*

*Applicants from other states who can benefit by being enrolled may be accepted so long as acceptance does not preclude acceptance of an eligible Minnesota resident. The commissioner of education shall obtain reimbursement from other states for the costs incurred in connection with nonresidents accepted and may contract with the appropriate authorities of other states to effect reimbursement. All money received from other states shall be paid to the state treasurer and placed in the general fund subject to the order of the state board.*

**Sec. 45. [128A.08] [BLIND STUDENT TO RECEIVE EXPENSES WHILE AT CERTAIN SCHOOLS.]** *Any blind person who is, and for five years immediately preceding the making of his application for aid under sections 38 to 46 of this act has been, a resident of this state, who is a regularly enrolled student pursuing any course of study, profession, art, or science in any university, college, or conservatory of music approved by the state board, in the discretion and under direction of the board, may receive a sum or sums of money, not exceeding \$300 in any one year, for the purpose of defraying his necessary expenses, including those of a reader, while in attendance upon such university, college, or conservatory, such expenditures to be made from the appropriations for the current expenses of the Minnesota braille and sight-saving school. Not more than ten such blind persons shall receive this aid in any one year.*

**Sec. 46. [128A.09] [FIELD CONSULTANTS.]** *The state board of education shall employ a field consultant for each of these schools. The duties of the field consultant shall include visiting all visually disabled or hearing impaired children residing in the state and assisting them and their parents in any and all matters relating to their educations. The field consultant shall have knowledge of the problems of visually disabled or hearing impaired persons, shall be learned and experienced in counseling and shall possess such other educational qualifications as may be determined by the state board. He shall have an office and secretarial staff in his respective school. He shall have access to reports and statistics of all schools and social agencies in the state to the extent consistent with state and federal law and shall attempt to identify all visually disabled and hearing impaired children, their abilities and educational status, and shall provide this information to the state board. He shall meet with parents and guardians of visually disabled or hearing impaired children and assist them in making decisions as to the types of education most beneficial to their children. He shall also make arrangements for the education of their children in either of these schools.*

**Sec. 47.** *Minnesota Statutes 1974, Chapter 137, is amended by adding a section to read:*

*[137.22] Any resident of the state graduated from the Minnesota braille and sight-saving school or the Minnesota school for the deaf, upon compliance with all other admission requirements, shall be entitled to pursue any course of study at the university of Minnesota without expense for tuition; and the board of regents shall receive him into any department thereof.*

**Sec. 48. [EFFECT OF TRANSFER TO STATE BOARD OF EDUCATION.] Subdivision 1. [TRANSFER OF FUNCTIONS.]** *The powers, duties and functions of the commissioner of public welfare*

*relating to the Minnesota school for the deaf and the Minnesota braille and sight-saving school are transferred to the state board of education which shall be the successor to the commissioner of public welfare as to all powers and duties heretofore vested in and imposed upon the commissioner of public welfare relating to these schools.*

**Subd. 2. [TRANSFER NOT TO CONSTITUTE NEW AUTHORITY.]** *Except as provided herein, the transfer of powers, duties and functions under sections 38 to 48 shall not constitute the creation of a new authority, but shall constitute a continuation of the powers, duties and functions. For the purpose of succession, all rights, authorities, powers, duties, functions and obligations existing at the time of transfer shall continue with the same force and effect as if no transfer had been made.*

**Subd. 3. [CONTINUATION OF RULES AND REGULATIONS.]** *Any order, rule or regulation issued or existing and in force at the time of the transfer of powers, duties and functions under sections 38 to 48, and not otherwise inconsistent with these sections shall continue in full force and effect as an order, rule, or regulation of the state board, or program under the control of the state board, until the order, rule or regulation is amended, repealed or superseded, or the program terminated.*

**Subd. 4. [TRANSFER NOT TO AFFECT LEGAL ACTION.]** *The transfer of powers, duties and functions as provided in sections 38 to 48 shall not affect any action or proceeding whether of an administrative, civil or criminal nature pending at the time of the transfer, but the action shall be prosecuted or defended in the name of the state board, and the state board, upon application to the appropriate court, shall be substituted as a party to the action or proceeding. No contract entered into according to law shall be affected by the transfer, but shall be performed as if the transfer had not occurred.*

**Subd. 5. [TRANSFER OF STATUTORY REFERENCE.]** *Whenever a person or authority whose powers, duties and functions are transferred hereunder is referred to in any statute, contract or document, the reference or designation shall be deemed to refer to the board, department or officer to which the powers, duties and functions have been transferred.*

**Subd. 6. [CONTINUATION OF RIGHTS OF EMPLOYMENT.]** *All employees in the classified or unclassified service, pursuant to the provisions of the state personnel act, of the department of public welfare employed at these schools on the effective date of this section are transferred to the department of education, and the employees shall not lose any rights or benefits now accorded them by law.*

**Subd. 7. [TRANSFER OF PROPERTY.]** *All books, maps, plans, papers, records and property of every description within the jurisdiction and control of the commissioner of public welfare relating to these schools and necessary for their operation shall be delivered and turned over to the state board of education, and it is authorized to take possession thereof.*

**Subd. 8. [TRANSFER OF FUNDS.]** *The unencumbered and unexpended balance of all funds appropriated to the commissioner of public*

*welfare for the Minnesota school for the deaf and the Minnesota braille and sight-saving school are transferred and reappropriated to the department of education. All state and federal aids from any source which have heretofore been available to the commissioner of public welfare for the use of these schools are hereby granted to the department of education.*

Sec. 49. Minnesota Statutes 1974, Section 246.01, is amended to read:

246.01 [POWERS AND DUTIES.] The commissioner of public welfare is hereby specifically constituted the guardian of both the estate and person of all feeble-minded or epileptic persons, the guardianship of whom has heretofore been vested in the state board of control or in the director of social welfare whether by operation of law or by an order of court without any further act or proceeding, and all the powers and duties vested in or imposed upon the state board of control or the director of social welfare, with reference to mental testing of persons mentally deficient or epileptic, and with reference to the institutions of the state of Minnesota except correctional institutions administered and managed by the commissioner of corrections, are hereby transferred to, vested in, and imposed upon the commissioner of public welfare, and in relation thereto he is hereby charged with and shall have the exclusive power of administration and management of all of the following state institutions: The schools and hospitals for the mentally retarded and epileptic, state hospitals for the mentally ill, the Minnesota braille and sight-saving school, the state school for the deaf, and the state hospital for inebriates. He shall have power and authority to determine all matters relating to the unified and continuous development of all of the foregoing institutions and of such other institutions, the supervision of which may, from time to time, be vested in him. It is intended that there be vested in him all of the powers, functions, and authority heretofore vested in the state board of control relative to such state institutions. He shall have the power and authority to accept, in behalf of the state, contributions and gifts of money and personal property for the use and benefit of the inmates of the public institutions under his control, and all moneys and securities so received shall be deposited in the state treasury subject to the order of the commissioner of public welfare. If the gift or contribution is designated by the donor for a certain institution or purpose, the commissioner of public welfare shall expend or use the same as nearly as may be in accordance with the conditions of the gift or contribution, compatible with the best interests of the inmates and the state. The commissioner of public welfare is hereby constituted the "state agency" as defined by the social security act of the United States and the laws of this state for all purposes relating to mental health and mental hygiene.

For the purpose of carrying out his duties, the commissioner of public welfare shall accept from mentally deficient wards for whom he is specifically appointed guardian a signed application for his consent to the marriage of said ward. Upon receipt of such application he shall promptly conduct such investigation as he deems proper and determine if the contemplated marriage is for

the best interest of the ward and the public. A signed copy of the commissioner's determination shall be mailed to the ward and to the clerk of the district court of the county where the application for such marriage license was made.

There is hereby appropriated to such persons or institutions as are entitled to such sums as are provided for in this section, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make such payment.

Sec. 50. Minnesota Statutes 1974, Section 248.07, Subdivision 3, is amended to read:

Subd. 3. [SPECIAL ATTENTION.] The commissioner of public welfare shall give special attention to the cases of ~~such blind handicapped~~ youth as ~~who~~ are eligible to ~~attendance at attend~~ the Minnesota Braille and sight-saving school, ~~the Minnesota school for the deaf~~, or the public school classes for ~~the blind handicapped children~~, but are not in attendance thereat, or are not receiving adequate instruction elsewhere ~~and seek to secure such attendance by all practicable means~~. *The commissioner shall report all such cases to the school district of the individual's residence and to the state board of education.*

Sec. 51. *On or before January 15, 1977, the commissioner of public welfare shall report to the legislature as to whether the transfer of any funds under sections 39 and 48 of this act would violate any federal laws or regulation or would cause the loss of any federal money or aid. The report shall specify the programs involved, shall cite the specific authority which would be violated, and shall detail the consequences of this violation.*

Sec. 52. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. (1) In 1975, a school district may levy for all general and special school purposes, an amount equal to the amount raised by the 1974 adjusted assessed valuation of the district times the number of mills, not to exceed 29, that bears the same relation to 29, as the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), bears to \$960.

(2) In 1976, a school district may levy for all general and special school purposes, an amount equal to the amount raised by the 1975 adjusted assessed valuation of the district times the number of mills, not to exceed 29, that bears the same relation to 29, as the sum of the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), and the greater of (a) five-sixths of the difference that results when such greater sum is subtracted from \$1015, or (b) \$55, bears to \$1015.

(3) For any district levying less than the maximum levy allowable in clauses (1) and (2), beginning with the levy certified in 1976, payable in 1977, the foundation aid to the district for the 1977-1978 school year, and for subsequent levies, foundation aid for subsequent school years, calculated pursuant to section 124.212, shall be reduced by the amount of the difference between the actual levy and the maximum levy allowable under clauses (1) and (2).

In the application of this clause, the maximum levy allowable under clauses (1) and (2) shall be reduced by any reduction of this levy which is required by section 275.125, subdivision 9 or any other law.

(4) The levy authorized by clauses (1) or (2) may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held in a single school year. The question on the ballot shall be whether a specific millage which will yield a specific amount based on the most recent assessed valuation may be added to that authorized by clauses (1) or (2). If approved, the amount provided by the millage applied to each year's assessed valuation shall be authorized for certification until revoked by the voters of the district at a subsequent referendum, which may be called by the school board and which shall be called by the school board upon the written petition of qualified voters of the district unless the petition for revocation is submitted in the same year in which a levy has been increased by the voters pursuant to this clause. A petition authorized by this clause shall be effective if signed by a number of qualified voters in excess of 15 percent, or 10 percent if the school board election is held in conjunction with a general election, of the average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board unless the petition for revocation is submitted in the same year in which a levy has been increased by the voters pursuant to this clause. Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

Sec. 53. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 4, is amended to read:

Subd. 4. The amounts necessary to make payments for bonds issued and for interest thereon, including the bonds and interest thereon, issued as authorized by section 275.125, subdivision 3, clause (7) (C), as it read in Minnesota Statutes 1974 ; ~~and~~ ; *the amounts necessary* for repayment of debt service loans and capital loans ; ; the amount authorized for capital expenditures pursuant to section 124.04 ; ~~and~~ ; the amount authorized for liabilities of dissolved districts pursuant to section 122.45 ~~and~~ ; the amounts necessary to pay the district's obligations under section 268.06, subdivision 25 ; *and the amounts necessary to pay the district's obligations under section 127.05* .

Sec. 54. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

*Subd. 4a. In 1976 and each year thereafter, a district may levy the amounts necessary to pay assessments for local improvements levied on property owned by the school district pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property.*

Sec. 55. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 9, is amended to read:

Subd. 9. (1) Districts which receive payments which result in deductions from foundation aid pursuant to section 124.212, subdivision 8a, shall reduce the permissible levies authorized by subdivisions 3 to 14 by 25 percent in 1973, 50 percent in 1974, 75 percent in 1975, and 100 percent for each year thereafter of that portion of the previous year's payment not deducted from foundation aid on account of the payment, unless such a levy reduction is otherwise required by law. The levy reductions shall be made in the proportions that each permissible levy bears to the sum of the permissible levies. *Reductions in levies of the applicable proportions of amounts received pursuant to sections 124.215, subdivision 2a; 124.25; 124.28; 124.30; 473.633, and 473.635, shall be made prior to the reductions in clause (2).*

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; and any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; shall not include a portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by section 275.125 to be spread in the calendar year in which the deduction from foundation aid is made pursuant to section 124.212, subdivision 8a, by the portion of the previous fiscal year's payment which was not deducted from foundation aid in that calendar year pursuant to section 124.212, subdivision 8a.

(3) *No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to section 275.125, subdivision 2a, to an amount less than the amount equal to the amount raised by a levy of 10 mills times the adjusted assessed valuation of that district for the preceding year as determined by the equalization aid review committee. Moreover, the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2a, clause (4) shall not be reduced pursuant to this subdivision.*

(4) *Notwithstanding any law to the contrary, any amounts received by districts pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; and any law imposing a tax on severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; and not deducted from foundation aid pursuant to section 124.212, subdivision 8a, clause (2), and not reduced from levies pursuant to this subdivision, shall be deposited prior to May 1 in the taconite property tax relief fund established pursuant to section 16A.70 for purposes of paying the taconite homestead credit provided in section 273.135.*

Sec. 56. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

*Subd. 9a. (1) In 1977 and each year thereafter in which so required*

by this subdivision, a district shall make an additional levy to eliminate its 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 an amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. When the cumulative proceeds of the levies made pursuant to this subdivision equal an amount equal to the statutory operating debt of the district, the levy shall be discontinued.

(2) The district shall establish a special account which shall be designated "Reserve Account for Purposes of Reducing Statutory Operating Debt" on its books and records. This account shall reflect the proceeds of the levy authorized pursuant to this subdivision. The proceeds of this levy, as reflected in this account, 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 Minnesota Statutes, Section 275.125, Subdivisions 2a and 6 or 7 in that same year.

Sec. 57. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

*Subd. 11a. In 1976 and each year thereafter, a district may levy an amount equal to the amount of the employer contributions paid, in the fiscal year prior to the year in which the levy is certified, pursuant to the provisions of sections 353.28 and 355.299, less the amount paid pursuant to the provisions of sections 353.28 and 355.299 in fiscal year 1971. In no event shall the levy authorized pursuant to this subdivision exceed an amount equal to the amount raised by a levy of one mill times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee.*

Sec. 58. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 14, is amended to read:

Subd. 14. Districts maintaining a post-secondary vocational-technical school may levy additional amounts as follows:

(1) A district maintaining a post-secondary vocational-technical school shall assume responsibility for a local share of the district post-secondary vocational deficit. The local share shall be 30 percent, or 15 percent in Independent School District Nos. 595 and 793, of the district post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education pursuant to section 124.561, subdivision 4.

(2) For the purpose of eliminating the local share of its post-secondary vocational deficit, a district may petition the commissioner of education for authority to make an additional levy. Before such a levy may be made, it must be approved by the commissioner. The approval shall specify the years in which the additional levy may be made and shall specify its dollar amount. No levy so approved shall be made in more than four successive years, beginning with the levy certified in 1975, and shall not annually exceed .25 mills in a district in a city of the first class, 1.5 mills in districts formed pursuant to Laws 1969, Chapter 1060, as amended; Laws 1969, Chapter 775, as amended; or Laws 1967, Chapter 822, as amended, or three mills in any other district maintaining a post-secondary vocational-technical school times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. Under no circumstances may a district levy a total amount greater than the local share of its post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education.

(3) If the additional levy allowed in clause (2) of this subdivision would be insufficient to eliminate the local share of the district's post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education, it may petition the commissioner of education for authority to issue general obligation bonds in an amount sufficient to meet the deficiency. Before the bonds may be issued, they must be authorized by the commissioner. The authorization shall specify a term not to exceed seven years and the amount of the bond issue provided that the ~~levy authorization to pay the principal and interest on the bonds may amount of principal and interest due in any year on the bonds will not annually~~, based on the 1974 adjusted assessed valuation of the district as determined by the equalization aid review committee, exceed .25 mills in a district in a city of the first class, .5 mills in districts formed pursuant to Laws 1969, Chapter 1060, as amended; Laws 1969, Chapter 775, as amended; or Laws 1967, Chapter 822, as amended, or six mills in any other district maintaining a post-secondary vocational-technical school ~~times the 1974 adjusted assessed valuation of the district as determined by the equalization aid review committee; provided, however, that the mill limitation is subject to the provisions of section 475.74~~. The bonds authorized by this section shall be *secured*, sold and issued pursuant to the provisions of chapter 475, except as otherwise provided herein. The bonds shall not be included in computing any debt limitation for a *the* district and no election shall be required for their sale and issuance.

(4) A district may not be authorized an additional levy under both clauses (2) and (3) of this subdivision.

(5) The state shall assume responsibility for 70 percent, or in Independent School District Nos. 595 and 793 for 85 percent, of a district's post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education. The state portion of the deficit shall be paid to each district in fiscal years 1977 and 1978 in two equal payments, provided that the levy for the dis-

trict's portion of the deficit has been approved by the commissioner and the required portion for the 1975 levy has been certified to the county auditor.

Sec. 59. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 15, is amended to read:

Subd. 15. Any district which in any year levies an amount which is greater than the amount allowed by subdivisions 2a to 14, shall lose an amount of state foundation aid equal to one-half of the excess in the levy ; ~~provided that .~~ *However, if any levy which is found to be excessive as a result of a decision of the tax court or a redetermination by the equalization aid review committee under section 124.212, subdivisions 11 to 18, shall not be compensated for in the next levy of the district the amount of the excess shall be deducted from the levy certified in the next year for the same purpose; provided that if no levy is certified in the next year for the same purpose or if the amount certified is less than the amount of the excess, the excess shall be deducted from that levy and the levy certified pursuant to subdivision 2a .* The amount of aid lost shall be deducted from the aid which would otherwise have been received for the school year which commences in the calendar year during which the excessive levy is being collected. Any foundation aid so withheld shall be withheld in accordance with the procedures specified in section 124.15. ~~A levy made in 1971 prior to the effective date of Extra Session Laws 1971, Chapter 31, Article 20 shall be reviewed, and may be modified, by the appropriate authority of the district for the purpose of reducing such levy to conform to the limitation imposed by Extra Session Laws 1971, Chapter 31, Article 20. Any reduction in such levy made prior to December 15, 1971 shall be given the same effect as though such reduction had been made prior to the expiration of the time allowed by law for making the levy.~~

Sec. 60. Minnesota Statutes 1974, Section 353.28, Subdivision 8, is amended to read:

Subd. 8. If the taxes authorized to be levied under this section cause the total amount of taxes levied to exceed any limitation upon the power of a county, city, or town, ~~or school district~~ to levy taxes, the governmental subdivision concerned ; ~~if it is other than a school district,~~ may levy taxes in excess of the limitation in such amount as is necessary to meet its obligations under this section. *School districts may levy amounts pursuant to this subdivision only to the extent allowed by section 57 of this act.* The expenditures authorized to be made under this chapter by any municipality are not included in computing the cost of government as defined in any home rule charter of any municipality affected by Laws 1957, Chapter 935.

Sec. 61. Minnesota Statutes 1974, Section 355.299, is amended to read:

355.299 [OBLIGATIONS OF POLITICAL SUBDIVISIONS.] Each political subdivision is hereby authorized and directed to pay its obligations under this act from moneys collected from

taxes or other revenues. Each political subdivision authorized to levy taxes may include in its tax levy the amount necessary to pay such obligations. If the taxes authorized to be levied under this section cause the total amount of taxes levied to exceed any limitation whatsoever under the power of the political subdivision to levy taxes, such political subdivision, if it is other than a school district, may levy taxes in excess of the limitation in such amount as is necessary to meet its obligation under this act. *School districts may levy amounts pursuant to this section only to the extent allowed under section 57 of this act.* The expenditures authorized to be made shall not be included in computing the cost of government as defined in any home rule charter or charter of any city affected thereby. The governing body of a municipality for the purposes of meeting its obligations hereunder, in the event of deficit, may issue its obligations payable in not more than two years in an amount which may cause its indebtedness to exceed any statutory or charter limitation without an election and may levy taxes and pay therefor in a manner provided in section 475.61 and acts amendatory thereto.

*Sec. 62. Subdivision 1. The appropriation in Laws 1975, Chapter 432, Section 96, Clause (1) includes \$300,000 in 1976 for emergency aid in addition to the sum already appropriated for that purpose in that clause.*

*Subd. 2. The department of education is authorized to pay school district sufficient sums from the appropriations in Laws 1975, Chapter 432, Section 96, Clause (2) for the years ending June 30, 1976 and 1977, to insure that each district receives the same amount for depreciation on buses which are nine or more years of age as of July 1, 1975 as the district would have received for those buses had the depreciation computation remained at ten percent per year for 1976 and 1977 in section 124.222. The state shall not be obligated for any amount in excess of this appropriation in future years because of this change in computation method.*

*Subd. 3. The commissioner of education is authorized to adjust the base cost per eligible pupil transported in 1974 fiscal year for purposes of payment of transportation aids in the 1976 and 1977 fiscal years. This adjustment shall be made on the basis of the study mandated by the provisions of Minnesota Statutes, 1975 Supplement, Section 124.222, Subdivision 5. Any increases in state transportation aid necessitated by these adjustments shall be paid from the sums appropriated for those years pursuant to Laws 1975, Chapter 432, Section 96, Clause (2).*

*Subd. 4. The department of education is authorized to pay \$27,090.75 from the sum appropriated pursuant to Laws 1975, Chapter 432, Section 96, Clause (1) for the year ending June 30, 1976, to Independent School District No. 332 for foundation aid not paid in fiscal years 1972 and 1973.*

*Subd. 5. The department of education is authorized to pay \$5,501.58 from the sum appropriated pursuant to Laws 1975, Chapter 432, Section 96, Clause (1) for the year ending June 30,*

1976, to Independent School District Numbers 200, 213, 276, and 492 for payment of unpaid aid for shared time instructional programs determined to be due by the public examiner.

*Subd. 6. The appropriation in Laws 1975, Chapter 432, Section 96, Clause (2) for the year ending June 30, 1977 includes the sum of \$116,500 for shared time transportation in addition to the sum appropriated for that purpose in that clause.*

*Subd. 7. Notwithstanding the provisions of Laws 1975, Chapter 433, Section 2, Subdivision 9, Paragraph 4, the council on quality education may transfer \$31,110 from the appropriation in Laws 1975, Chapter 433, Section 2, Subdivision 4, Clause 2, to the appropriation in Laws 1975, Chapter 433, Section 2, Subdivision 4, Clause 1.*

**Sec. 63. [APPROPRIATION.]** *There is appropriated from the general fund of the state treasury to the department of education the following sums for the years and purposes indicated:*

	<i>For the year ending June 30</i>	
	<i>1976</i>	<i>1977</i>
<i>(1) Special Education Aid . . . . .</i>	<i>\$2,200,000</i>	<i>\$1,925,000</i>
<i>(a) The appropriations in (1) shall be added to the sums appropriated for the years designated in Laws 1975, Chapter 432, Section 96, Clause (3).</i>		
<i>(b) The appropriation in (1) for the year ending June 30, 1976 includes \$200,000 for reimbursement of expenses incurred by school districts for programs involving services for handicapped children whose districts of residence are determined pursuant to Minnesota Statutes, Section 120.17, Subdivision 8a and who are placed in state institutions or licensed residential facilities for care and treatment for the 1975-1976 school year and 1976 summer school. This reimbursement shall be made on the same basis and at the same rate as for the 1974-75 school year and 1975 summer school. This reimbursement shall be made notwithstanding the provisions of Minnesota Statutes, 1975 Supplement, Section 124.32, Subdivision 3a.</i>		

	<i>For the year ending June 30</i>	
	1976	1977

(c) *The appropriation in (1) for the year ending June 30, 1976 includes \$2,000,000 for the payment of special education aid for 1976 summer school programs. These programs shall be reimbursed on the same formula as were 1975 summer school programs. This reimbursement shall be made notwithstanding the provisions of Minnesota Statutes, 1975 Supplement, Section 124.32, Subdivision 3a.*

(d) *The appropriation in (1) for the year ending June 30, 1977 is for the payment of special education aid for children who attend nonpublic school and receive special instruction and services at a public school on a shared time basis.*

(e) *If the appropriations in (1) are insufficient for the purposes indicated, the aids shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of these appropriations for those purposes.*

(2) <i>Adult Education Aid . . . . .</i>	\$117,925	\$ 178,500
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*The appropriation in (2) shall be added to the sums appropriated for the years designated in Laws 1975, Chapter 432, Section 96, Clause (13), and shall be used solely as aid for programs conducted pursuant to Minnesota Statutes, Section 124.26. If the appropriations in (2), when added to the appropriations made pursuant to Laws 1975, Chapter 432, Section 96, Clause (13) are insufficient in either year, the aid shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of these appropriations for this purpose.*

For the year ending June 30

1976

1977

(3) Educational Services to Southeast Asian Children . . . . .

\$ 50,000

The appropriation in (3) shall be used solely for the purpose of section 1 of this act. If the appropriation in (3) is insufficient for this purpose, the aids shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of this appropriation for this purpose.

(4) Transfer of the Minnesota school for the deaf and the Minnesota braille and sight-saving school . . . . .

\$ 30,000

The appropriation in (4) is for the purpose of planning the transfer of the Minnesota school for the deaf and the Minnesota braille and sight-saving school from under the jurisdiction of the commissioner of welfare to the state board of education. Not to exceed \$20,000 of the appropriation in (4) shall be used to hire additional personnel beyond the existing complement of the department of education for this purpose.

(5) Implementation of the Uniform Financial Accounting and Reporting System for Minnesota School Districts . . . . .

\$ 100,000

The appropriation in (5) is for the implementation of the Uniform Financial Accounting and Reporting System for Minnesota School Districts. This appropriation shall be used for dissemination of materials, in-service training of public school personnel, and for additional departmental personnel necessary to implement this system; provided that not to exceed \$50,000 of this appropriation shall be used to hire additional per-

*For the year ending June 30*

*1976*

*1977*

*sonnel beyond the existing complement of the department for this purpose. Any unexpended balance remaining from the appropriation in (5) shall not cancel but shall be available for the second year of the biennium.*

*(6) Educational Alternative Programs .....*

*\$1,500,000*

*The appropriation in (6) shall be used by the council on quality education for funding educational alternative programs pursuant to section 3 of this act. Not to exceed \$37,500 of the appropriation in (6) may be expended for administration and evaluation of these programs by the council and for the employment of personnel by the council, beyond the existing complement of the department of education, for those purposes.*

*Sec. 64. [REPEALER.] Subdivision 1. Minnesota Statutes 1974, Sections 122.54; 275.39; and Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 11, are repealed.*

*Subd. 2. Minnesota Statutes 1974, Sections 248.01; 248.02; 248.03; 248.04; 248.05; 248.06; and 248.09, are repealed. This subdivision shall be effective July 1, 1977.*

*Subd. 3. Minnesota Statutes 1974, Sections 124.28, as amended by Laws 1975, Chapter 432, Section 44; 124.281 and 124.29, are repealed. This subdivision shall be effective July 1, 1979.*

*Sec. 65. [EFFECTIVE DATES.] Sections 1, 2, 3, 5, 10, 12, 13, 14, 17, 25, 26, 27, 29, 30, 32, 33, 52, 58, 59, 62, 63, and 64 of this act shall be effective the day following final enactment. Sections 9, 11, 18, 19, 34, 35, 36, 37, 40, 51, 53, 54, 55, 56, 57, 60, and 61 shall be effective July 1, 1976. Section 8 of this act shall be effective August 15, 1976. Sections 6, 7, 15, 16, 20, 22, 23, 24, 28, 31, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, and 50 shall be effective July 1, 1977. Section 4 of this act shall be effective August 15, 1977."*

*Further, amend the title by striking it in its entirety and inserting:*

*"A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the distribution of*

tax revenues; granting certain powers and duties to school districts, the commissioner of education, the state board of education, and the state board for vocational education; establishing a uniform definition of school age for all handicapped children; transferring the Minnesota school for the deaf and the Minnesota braille and sight-saving school from the jurisdiction of the commissioner of welfare to the state board of education; prohibiting certain fees; providing for the adoption of the Uniform Financial Accounting and Reporting System for Minnesota School Districts; appropriating money; amending Minnesota Statutes 1974, Sections 120.17, Subdivisions 2 and 5, and by adding subdivisions; 120.74, Subdivision 1; 121.21, by adding a subdivision; 123.37, Subdivisions 1 and 1b; 124.222, by adding a subdivision; 124.32, as amended; Chapter 124, by adding a section; Chapter 137, by adding a section; 246.01; 248.07, Subdivision 3; 275.125, by adding subdivisions; 353.28, Subdivision 8; 355.299; Minnesota Statutes, 1975 Supplement, Sections 120.17, Subdivision 1; 124.04; 124.17, Subdivision 2; 124.212, Subdivision 8a; 124.223; 124.26, by adding a subdivision; 124.561, Subdivision 3, and by adding a subdivision; 124.562, Subdivision 2; 124.563, Subdivision 3; 124.565, Subdivision 2; 275.125, Subdivisions 2a, 4, 9, 14, 15; repealing Minnesota Statutes 1974, Sections 122.54; 124.28, as amended; 124.281; 124.29; 248.01; 248.02; 248.03; 248.04; 248.05; 248.06; 248.09; 275.39; Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 11."

The motion prevailed. So the amendment was adopted.

Mr. Olson, J. L. moved to amend H. F. No. 1997, as amended by the Anderson amendment; as follows:

(The text of the amended House File appears as S. F. No. 1964)

Page 65, after line 4, insert:

"(7) *Lakeview School, Worthington* \$165,000

*The appropriation in (7) shall be used by Independent School District No. 518 as a reimbursement for educational programs for handicapped children enrolled at Lakeview School in the year ending June 30, 1976."*

The motion prevailed. So the amendment was adopted.

Mr. Nelson moved to amend H. F. No. 1997, as amended by the Anderson amendment as follows:

(The text of the amended House File appears as S. F. No. 1964)

Page 2 after line 28 insert:

"Sec. 3. [LEGISLATIVE SCHOOL FINANCE STUDY COMMISSION.] *Subdivision 1. A permanent commission to continually study and investigate school finance systems is hereby created.*

*Subd. 2. [POWERS.] The name of the commission is the legislative school finance study commission. The commission shall make a continuing study and investigation of school finance plans applicable to school districts in this state. The powers and duties of the commission include, but are not limited to the following:*

*(a) The study of school finance in Minnesota in all its aspects including federal, state and local financing of elementary, secondary, adult, and vocational education;*

*(b) The making of recommendations to the legislature within the scope of the study, including attention to various methods and plans for financing education, and the filing of a report on January 15, 1976 and biennially on the same date thereafter to the governor and the legislature;*

*(c) The consideration of the financial status of school districts throughout Minnesota, including analysis of both revenues and expenditures;*

*(d) The consideration of future revenue needs and resources of Minnesota school districts and of plans for meeting these needs;*

*(e) The creation of a database as necessary for the compilation and analysis of financial information on school districts in Minnesota;*

*(f) The study of power equalization financing as it would relate to Minnesota school districts;*

*(g) The study of revisions in categorical aid areas including, but not limited to, special education, secondary and adult vocational education, adult education, transportation aids, special aids, and in lieu aids;*

*(h) The study of other areas relating to the financing of schools in Minnesota including, but not limited to, school enrollments, school construction, interdistrict cooperation, staff salaries, administration, and disparities in costs, revenues, and taxes;*

*(i) To study, analyze, and prepare reports regarding any other subjects certified to the commission for such study.*

*Subd. 3. [MEMBERSHIP.] The commission consists of five members of the senate to be appointed by the committee on committees and five members of the house of representatives to be appointed by the speaker. The first members of this commission shall be selected to serve for a term expiring on January 15 of the next succeeding regular session of the legislature and until their successors are appointed. Subsequent members of the commission shall be appointed at the commencement of each regular session of the legislature for a two year term beginning January 16 of the year of such regular session. Vacancies on the commission occurring while the legislature is in session shall be filled in the same manner as original appointments to the commission. If the legislature is not in session, vacancies in the membership of the commission shall be filled by the last senate committee on committees or other appointing authority designated by the senate rules in case of a senate vacancy, and by the last speaker of the house, or if he be not available, by the last chairman of the house rules committee in case of a house vacancy.*

*Subd. 4. [OFFICE, MEETINGS, OFFICERS.] The commission shall maintain an office in the capitol group of buildings in space which the commissioner of administration shall provide. The commission shall hold meetings at such times and places as it may designate. It shall select a chairman, a vice chairman and such other officers from its membership as it may deem necessary.*

*Subd. 5. [STAFF.] The commission may employ such professional, clerical, and technical assistants as it deems necessary in order to perform the duties herein prescribed.*

*Subd. 6. [ASSISTANCE OF OTHER AGENCIES.] The commission may request information from any state officer or agency in order to assist in carrying out the terms of this section and such officer or agency is authorized and directed to promptly furnish any data requested.*

*Subd. 7. [LEGISLATIVE BILLS FURNISHED.] The secretary of the senate and the chief clerk of the house shall provide the commission with a copy of each bill introduced in the legislature concerning school finance."*

Renumber the sections and correct internal references accordingly.

Page 65, after line 4 insert:

*"(7) School Finance Study Commission*

*\$30,000*

*The appropriation in (7) shall be used to pay the expenses of the study commission incurred in the year ending June 30, 1977.*

Further, amend the title as follows:

Page 1, line 8 after "education;" insert "establishing a legislative school finance study commission;"

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

Mr. Jensen moved to amend H. F. No. 1997, as amended by the Anderson amendment, as follows:

(The text of the amended House file appears as S. F. No. 1964)

Pages 24 and 25, strike Section 25

Renumber the sections in sequence

Amend the title as follows:

Line 27, strike "124.17, Subdivision 2;"

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

Mrs. Brataas moved to amend H. F. No. 1997, as amended by the Anderson amendment, as follows:

(The text of the amended House file appears as S. F. No. 1964)

Page 29, line 2, strike "65" and insert "80"

Page 29, strike line 5

Page 29, line 6, strike everything before "or"

Page 61, line 6, strike "\$1,925,000" and insert "\$7,650,000"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 23 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Hansen, Mel	Kowalczyk	Renneke
Bang	Brown	Hanson, R.	Larson	Stassen
Berg	Dunn	Josefson	Nelson	Ueland
Bernhagen	Fitzsimons	Keefe, J.	Olson, J. L.	
Blatz	Frederick	Kirchner	Patton	

Those who voted in the negative were:

Anderson	Doty	Lewis	Perpich, A. J.	Stumpf
Arnold	Gearty	McCutcheon	Perpich, G.	Tennessee
Borden	Hughes	Merriam	Purfeerst	Wegener
Chmielewski	Humphrey	Moe	Schmitz	Willet
Coleman	Keefe, S.	North	Schrom	
Conzemius	Kleinbaum	Olhoff	Spear	
Davies	Laufenburger	Olson, A. G.	Stokowski	

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

Mr. Brown moved to amend H. F. No. 1997, as amended by the Anderson amendment, as follows:

(The text of the amended House file appears as S. F. No. 1964)

Pages 28 to 32, strike Section 31 and insert:

"Sec. 31. Minnesota Statutes 1974, Section 124.32, as amended by Laws 1975, Chapter 432, Sections 48, 49 and 50, is amended to read:

124.32 [HANDICAPPED CHILDREN.] Subdivision 1. The state shall pay to any district ~~and unorganized territory;~~ :

(a) for the employment in its educational program for handicapped children, ~~65 no less than 50 and no more than 80 percent~~ of the salary of essential personnel, but this amount shall not exceed ~~\$10,000~~ \$12,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, ~~including but not limited to summer school whether the essential personnel are employed by a district alone or jointly with another district or districts ;~~

(b) ~~for the employment of an individual jointly with another district or districts or unorganized territory in its educational program for handicapped children, 65 percent of the salary of essential personnel, but this amount shall not exceed \$10,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time including but not limited to summer school plus 10 percent of the salaries of essential personnel employed in its educational program for handicapped children, for the purpose of~~

recognizing additional support costs of educational programs for handicapped children;

(c) less (i) 25 percent of the foundation aid formula allowance for each handicapped child in average daily membership who receives special instruction and services for more than 50 but less than 80 percent of the time school is in session, and (ii) 50 percent of the foundation aid formula allowance for each handicapped child in average daily membership who receives special instruction and services for 80 percent or more of the time school is in session.

For the 1976-1977 school year, the foundation aid formula allowance per pupil unit shall be the lesser of \$960 or the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2). The computation in clause (c) shall be based on the foundation aid formula allowance per pupil unit in the child's district of residence. For the purposes of computations pursuant to clause (c), each handicapped child shall be counted as prescribed in section 120.17, subdivision 1, clause (1) or (2). The actual percent of the salaries of essential personnel paid by the state pursuant to clause (a) shall be determined by the commissioner within the limits of the appropriation for special education for the school year.

For special instruction or training and services provided pursuant to section 120.17, subdivision 2, clause (h), by contract with public, private or voluntary agencies other than Minnesota school districts, the state shall pay each district:

(1) the percent of the amount of the contract which is equal to the actual percent of the salaries of essential personnel paid by the state pursuant to clause (a);

(2) less 50 percent of the foundation aid formula allowance of the district.

Subd. 2. The state shall reimburse pay each district or unorganized territory for supplies and equipment purchased or rented for use in the instruction of handicapped children in the amount of one-half of the sum actually expended by the district or unorganized territory but not to exceed an average of \$50 in any one school year for each handicapped child receiving instruction.

Subd. 3a. The purpose of this subdivision is to change the method of funding of educational programs for handicapped children from reimbursement based on past expenditures to a current funding basis. Beginning July 1, 1976, the state shall not reimburse expenditures from the 1975-1976 school year programs, including 1976 summer school programs, but shall pay aids for the 1976-1977 school year programs and for each year thereafter on a current funding basis.

Subd. 3b. (1) Notwithstanding the provisions of subdivision 3a, any school district which in the 1974-1975 school year issued certificates of indebtedness in anticipation of receipt of reimbursements for special education may continue to account for aid to handi-

*capped children on a reimbursement basis subject to approval by the commissioner of education.*

*(2) Districts eligible under clause (1) shall establish a special reserve account, which shall be designated "reserve account for current financing of special education" on its books and records. Each year beginning in the 1976-1977 school year the district shall place in this account 16 2/3 percent of the amount which it would have been entitled to receive in 1976-1977 based on 1975-1976 expenditures pursuant to Minnesota Statutes, 1975 Supplement, Section 124.32, Subdivision 1 and Minnesota Statutes 1974, Section 124.32, Subdivision 2. The funds in this account shall be used only for the purposes for which special education aid can be used, but the amount shall be used only to meet temporary cash needs and shall never supplement district revenues or income for the purpose of increasing the district's special education expenditures or budgets.*

*(3) In fiscal year 1977 or any year thereafter, districts eligible under clause (1) shall not issue certificates of indebtedness in anticipation of receipt of reimbursements for special education in an amount which exceeds the amount which it would have been entitled to receive in 1976-1977 as specified in clause (2), less the balance in the reserve account for current financing of special education. When the funds in this reserve account equal the amount which the district would have been entitled to receive in 1976-1977 as specified in clause (2), the district shall thereafter account for aid for special education on a current funding basis.*

Subd. 4. The aids provided for handicapped children shall be paid to the district providing the special instruction and services. Foundation aid shall be paid to the district ~~or unorganized territory~~ of the pupils' residence. The total amount of aid paid may not exceed the amount expended for handicapped children ~~for~~ in the school year for which the aid is paid.

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay to the resident district not to exceed 65 percent of instructional costs charged to the resident district, less the foundation aid per pupil unit payable to the resident district. Not more than \$400,000 shall be spent annually for purposes of implementing this subdivision. If that amount does not suffice, the aid shall be pro rated among all qualifying districts.

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by a public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children, either within or outside of the state, or, a state residential school outside of the state.

(b) A private, nonsectarian residential facility designed to pro-

vide educational services for handicapped children either within or outside of the state.

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Subd. 6. The state shall ~~reimburse~~ pay each district ~~or unorganized territory~~ the actual cost incurred in providing instruction and services for a handicapped child whose district of residence has been determined by sections 120.17, subdivisions 7 or 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following such procedure as requested by the commissioner of education a district ~~or unorganized territory~~ providing instruction and services for such handicapped child may bill the state the actual cost incurred in providing said services including transportation costs and a proportionate amount of capital outlay and debt service, minus the amount of foundation aid, special education aid, transportation aid, and any other aid earned in behalf of such child, such action pursuant to limits set forth in section 124.32, subdivision 4.

*Subd. 7. Before June 1, 1976 and before May 1 of each year thereafter, each district providing special instruction and services to handicapped children shall submit to the commissioner an application for approval of these programs and their budgets for the next school year. The application shall include an enumeration of the costs eligible for state aid pursuant to this section and of the estimated number and grade level of handicapped children in average daily membership in the district who will receive special instruction and services for more than 50 and less than 80 percent and for 80 percent or more, of the time school is in session during the next school year. The application shall also include any other information deemed necessary by the commissioner for the calculation of state aid and the evaluation of the program's compliance with the rules and standards of the state board. On or before August 1, 1976 and before July 1 of each year thereafter, the commissioner shall approve, disapprove or modify each application, and notify each applying district of his action and of the estimated level of aid for the programs. The commissioner may provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet changes in the needs of handicapped children in the district.*

*Subd. 8. Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program the state shall pay to each school district 45 percent of its estimated special education aid for the school year on or before each of the following dates: September 30 and December 30. The final aid distribution to the district shall be made on or before August 31 of the following year.*

*Subd. 9. Beginning with the summer of 1977, the state shall pay aid for summer school programs for handicapped children on*

*the basis of the sections of Minnesota Statutes providing aid for handicapped children for the preceding school year. Separate applications shall be submitted for program and budget approval for summer school programs. The commissioner shall approve, disapprove or modify the applications and notify the districts of his action and of the estimated level of aid for the summer school programs. Aid for these programs shall be paid on or before the October 1 after the summer when the programs are conducted."*

Page 61, line 6 strike "\$1,925,000" and insert "\$2,925,000"

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

Mr. Ashbach moved to amend H. F. No. 1997, as amended by the Anderson amendment, as follows:

(The text of the amended House file appears as S. F. No. 1964)

Page 9, strike Section 10

Renumber the sections and correct internal references accordingly

Page 65, after line 8, insert:

*"Subd. 2. Minnesota Statutes 1974, Sections 120.71, 120.72, 120.73, 120.74, 120.75, and 120.76 are repealed. This subdivision is effective July 1, 1976."*

Renumber the subdivisions accordingly.

Further, amend the title as follows:

Page 1, line 19, strike "120.74, Subdivision 1;"

Page 1, line 33 after "sections" insert "120.71, 120.72, 120.73, 120.74, 120.75, 120.76;"

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

Mr. Brown then moved to amend H. F. No. 1997, as amended by the Anderson amendment, as follows:

(The text of the amended House file appears as S. F. No. 1964)

Page 3, after line 24, insert:

*"Subd. 2. In addition to the six pilot alternative educational programs in subdivision 1, the council on quality education shall make grants to not less than two multi-talented and creative pupil programs. One of the programs must be outside of the cities of the first class and seven county metropolitan area, and it may be a cooperative effort among several school districts. The multi-talented and creative pupil programs are for children to develop intellectual, academic, creative or other special talents, except athletic ability. The standard for the establishment of the programs shall be determined by the council on quality education and the participating school district. All referrals to the programs shall be made by pupil referral committees to be established by each building principal, within the district receiving grants under this subdivision."*

Renumber the subdivisions accordingly

Page 3, line 26, after "alternative" insert "or multi-talented and creative pupil"

Page 4, line 5, strike "*pilot programs*" and insert "*the programs established in subdivisions 1 and 2*"

Page 4, line 8, after "*alternative*" insert "*or multi-talented and creative pupil*"

Page 4, line 10, after "*alternative*" insert "*or multi-talented and creative pupil*"

Page 4, line 11, strike "*program*" and insert "*programs*"

Page 4, line 12, after "*alternative*" insert "*or multi-talented and creative pupil*"

Page 4, line 15, after "*alternative*" insert "*or multi-talented and creative pupil*"

Page 4, line 18, after "*alternative*" insert "*or multi-talented and creative pupil*"

Page 64, line 26, after "*Alternative*" insert "*or Multi-talented and Creative Pupil*"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 18 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Hansen, Mel	Keefe, J.	Pillsbury
Bang	Brown	Hanson, R.	Kirchner	Renneke
Bernhagen	Chmielewski	Jensen	Kowalczyk	
Blatz	Fitzsimons	Josefson	Nelson	

Those who voted in the negative were:

Anderson	Gearty	McCutcheon	Purfeerst	Stumpf
Arnold	Hughes	Moe	Schmitz	Tennessee
Borden	Humphrey	North	Schrom	Wegener
Coleman	Keefe, S.	Olhoft	Sillers	Willet
Conzemius	Kleinbaum	Olson, H. D.	Spear	
Davies	Laufenburger	O'Neill	Stassen	
Doty	Lewis	Perpich, A. J.	Stokowski	

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

Mr. Nelson moved to amend H. F. No. 1997, as amended by the Anderson amendment, as follows:

(The text of the amended House file appears as S. F. No. 1964)

Page 26, after line 21 insert:

"Sec. 27. Minnesota Statutes 1974, Section 124.215, is amended by adding a subdivision to read:

*Subd. 9. In addition to regular foundation aid payments in 1976-1977, any district having one or more full time classroom teachers with an M.A. degree or M.A. equivalency or whose experience level is above the statewide average experience level shall be eligible for advanced teacher training and experience aid. The statewide average experience level is seven years. The aid for advanced teacher experience shall be computed by multiplying the number by which the district*

*experience index exceeds the statewide average experience index by \$500, to a maximum of \$2,500 for a 12 year index. The result of that calculation is the amount of aid granted to the school district by the department of education. The district experience index is obtained by adding the number of years of experience of all full time classroom teachers in the district and dividing by the number of full time classroom teachers in the district. The aid for advanced teacher training shall be computed by multiplying the percentage of full time classroom teachers in the district having an M.A. degree or M.A. equivalency by \$1,000. The result of that calculation is the amount of aid granted to the school district by the department of education."*

Renumber the sections and correct internal references accordingly.

Page 62, after line 28 insert:

*"(2) Teacher Longevity and Training Aid*

*\$10,000,000*

*If the appropriation in (2) is insufficient for the purposes indicated in Section 27, the aid shall be prorated among all qualifying school districts."*

Renumber the clauses in sequence

Further, amend the title as follows

Page 1, line 20, after "subdivisions 1 and 1b;" insert "124.215, by adding a subdivision;"

The question being taken on the adoption of the amendment,

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

And the roll being called, there were yeas 21 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Fitzsimons	Keefe, J.	Nelson	Pillsbury
Bang	Frederick	Kirchner	Ogdahl	Renneke
Blatz	Hansen, Mel	Kowalczyk	Olson, J. L.	Stassen
Brataas	Hanson, R.	Larson	Patton	Ueland
Brown				

Those who voted in the negative were:

Anderson	Davies	Kleinbaum	Olson, A. G.	Sillers
Arnold	Doty	Laufenburger	Olson, H. D.	Solon
Berg	Dunn	McCutcheon	O'Neill	Spear
Bernhagen	Gearty	Merriam	Perpich, G.	Stokowski
Borden	Hansen, Baldy	Milton	Purfeerst	Stumpf
Chmielewski	Hughes	Moe	Schaaf	Tennessee
Coleman	Jensen	North	Schmitz	Wegener
Conzemius	Keefe, S.	Olhoff	Schrom	Willet

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

Mr. Nelson then moved to amend H. F. No. 1997, as amended by the Anderson amendment, as follows:

(The text of the amended House file appears as S. F. No. 1964)

Page 25, after line 22 insert:

"Sec. 26. Minnesota Statutes, 1975 Supplement, Section 124.212, Subdivision 7b, is amended to read:

Subd. 7b. For the 1976-77 school year a district shall receive in foundation aid the lesser of (1) ~~\$960~~ \$970 per pupil unit less 29 mills times the 1974 adjusted assessed valuation of the district, or (2) the amount that bears the same relation to the difference in (1) as the sum of the greater sum computed pursuant to section 124.212, Subdivision 6b, clause (2), and the greater of (a) two-thirds of the difference that results when such greater sum is subtracted from ~~\$960~~ \$970, or (b) \$60 \$70, bears to ~~\$960~~ \$970. *This section shall not be construed as in any instance authorizing the levy of total amounts of taxes for school purposes in excess of the amount allowed by law on October 15, 1975.*"

Renumber the sections and correct internal references accordingly.

Page 59, after line 18 insert:

"Subd. 2. *The appropriation in Laws 1975, Chapter 432, Section 96, clause (1) includes \$10,831,150 in 1977 for foundation aid in addition to the sum already appropriated for that purpose in that clause.*"

Renumber the subdivisions accordingly.

Further, amend the title as follows:

Page 1, line 28 strike "Subdivision 8a;" and insert "Subdivisions 7b and 8a;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 17 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Jensen	Nelson	Renneke
Bernhagen	Fitzsimons	Josefson	Patton	Stassen
Brataas	Frederick	Kirchner	Pillsbury	Ueland
Brown	Hanson, R.			

Those who voted in the negative were:

Anderson	Doty	Laufenburger	Olson, J. L.	Stokowski
Arnold	Gearty	McCutcheon	O'Neill	Stumpf
Berg	Hansen, Baldy	Merriam	Perpich, A. J.	Tennessen
Borden	Hansen, Mel	Milton	Perpich, G.	Wegener
Chenoweth	Hughes	Moe	Purfeerst	Willet
Chmielewski	Humphrey	North	Schaaf	
Coleman	Keefe, S.	Olhoft	Schmitz	
Conzemius	Kleinbaum	Olson, A. G.	Sillers	
Davies	Larson	Olson, H. D.	Spear	

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

Mr. Anderson moved to amend H. F. No. 1997, as amended by the Anderson amendment, adopted by the Senate March 18, 1976, as follows:

Page 54, line 2, strike "*estblsh*" and insert "*establish*"

The motion prevailed. So the amendment was adopted.

H. F. No. 1997: A bill for an act relating to the operation of state government; providing for aids to education, tax levies and the distribution of tax revenues; changing the funding of special education, adult vocational education and secondary vocational education to a current funding basis; granting certain powers and duties to school districts, the commissioner of education, and the state board of education; establishing a uniform financial accounting and reporting system for Minnesota school districts; requiring the provision of special education on a shared time basis to nonpublic school pupils; appropriating money; amending Minnesota Statutes 1974, Sections 120.17, by adding a subdivision; 120.73, Subdivision 1; 120.74, Subdivision 1; 121.21, by adding a subdivision; 122.45, Subdivisions 2 and 3a; 124.212, by adding a subdivision; 124.32, as amended; Chapter 124, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 122.23, Subdivision 15; 122.45, Subdivision 1; 124.04; 124.17, Subdivisions 1 and 2; 124.212, Subdivision 8a; 124.271, Subdivision 2; 124.43, Subdivision 1; 124.561, Subdivision 3, and by adding a subdivision; 124.562, Subdivision 2; 124.563, Subdivision 3, and by adding a subdivision; 124.564; 124.565, Subdivision 2; 124.611, Subdivisions 1 and 2; 275.125, Subdivisions 2a, 4, 5, 8, 9, and 14; repealing Minnesota Statutes 1974, Sections 122.54 and 275.39.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 60 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Humphrey	Milton	Schaaf
Arnold	Conzemius	Jensen	Moe	Schmitz
Ashbach	Davies	Josefson	Nelson	Schrom
Bang	Doty	Keefe, S.	North	Sillers
Berg	Dunn	Kirchner	Olhoft	Spear
Bernhagen	Fitzsimons	Kleinbaum	Olson, H. D.	Stassen
Blatz	Frederick	Kowalczyk	Olson, J. L.	Stokowski
Borden	Gerty	Larson	O'Neill	Stumpf
Brataas	Hansen, Baldy	Laufenburger	Patton	Tennessee
Brown	Hansen, Mel	Lewis	Pillsbury	Ueland
Chenoweth	Hanson, R.	McCutcheon	Purfeerst	Wegener
Chmielewski	Hughes	Merriam	Renneke	Willet

Mr. Perpich, G. voted in the negative.

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

#### RECESS

Mr. Coleman moved that the Senate do now recess until 2:00 o'clock p.m. The motion prevailed.

The hour of 2:00 o'clock p.m. having arrived, the President called the Senate to order.

#### MEMBERS EXCUSED

Mrs. Brataas was excused from the balance of today's Session. Mr. Blatz was excused from the Session of today at 3:30 o'clock p.m.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Messages From the House. The motion prevailed.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1996, 2030 and 2284.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1624: A bill for an act relating to housing and redevelopment; permitting coinciding terms of office for city council members of a municipality who are appointed commissioners of a municipal housing and redevelopment authority; redefining powers of local housing and redevelopment authorities in carrying out legislation; amending Minnesota Statutes 1974, Sections 462.425, Subdivision 6; and 462.475, Subdivision 1; repealing Minnesota Statutes 1974, Section 462.501, Subdivision 1.

Senate File No. 1624 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Stokowski moved that the Senate concur in the amend-

ments by the House to S. F. No. 1624 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1624: A bill for an act relating to housing and redevelopment; permitting coinciding terms of office for city council members of a municipality who are appointed commissioners of a municipal housing and redevelopment authority; permitting officers and employees of a municipal housing and redevelopment authority to purchase a principal residence in a housing and redevelopment district; redefining powers of local housing and redevelopment authorities in carrying out legislation; amending Minnesota Statutes 1974, Sections 462.425, Subdivision 6; 462.431; and 462.475, Subdivision 1; repealing Minnesota Statutes 1974, Section 462.501, Subdivision 1.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	Olson, J. L.	Stokowski
Ashbach	Gearty	Kleinbaum	Patton	Stumpf
Bernhagen	Hansen, Baldy	Kowalczyk	Perpich, G.	Tennessee
Blatz	Hansen, Mel	Laufenburger	Pillsbury	Ueland
Borden	Hanson, R.	Lewis	Purfeerst	Wegener
Chmielewski	Hughes	McCutcheon	Renneke	Willet
Coleman	Humphrey	Milton	Schaaf	
Conzemius	Jensen	Moe	Schmitz	
Davies	Josefson	North	Schrom	
Doty	Keefe, S.	Olson, A. G.	Sillers	

So the bill, as amended, was repassed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. North moved that S. F. No. 932 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

Mr. North moved that the recommendations and Conference Committee Report as printed in the Journal March 17, 1976 on S. F. No. 932 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 932: A bill for an act relating to public welfare; permitting the commissioner of public welfare to establish maximum fees for congregate living care under the income maintenance programs; amending Minnesota Statutes 1974, Section 256.01, Subdivision 2.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

And the roll being called, there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Humphrey	Moe	Schmitz
Ashbach	Davies	Jensen	North	Schrom
Berg	Doty	Josefson	Olson, A. G.	Sillers
Bernhagen	Dunn	Keefe, S.	Olson, J. L.	Stokowski
Blatz	Fitzsimons	Kirchner	Patton	Stumpf
Borden	Gerty	Kleinbaum	Perpich, G.	Tennessen
Brown	Hansen, Baldy	Kowalczyk	Pillsbury	Ueland
Chenoweth	Hansen, Mel	Laufenburger	Purfeerst	Wegener
Chmielewski	Hanson, R.	Lewis	Renneke	Willet
Coleman	Hughes	McCutcheon	Schaaf	

So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

Mr. Olson, J. L. moved that S. F. No. 2338, No. 74 on General Orders, be stricken and re-referred to the Committee on Education. The motion prevailed.

### RECONSIDERATION

Mr. Laufenburger moved that the vote whereby H. F. No. 525 failed to pass the Senate on March 17, 1976, be now reconsidered. The motion prevailed.

H. F. No. 525: A bill for an act relating to state government; creating a department of transportation; prescribing its duties and responsibilities; transferring the functions of some state departments; appropriating money; amending Minnesota Statutes 1974, Sections 43.09, Subdivision 2a; and 360.017, Subdivision 1; repealing Minnesota Statutes 1974, Sections 4.20; 161.03; and 360.114.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

Mr. Doty moved that those not voting be excused from voting. The motion did not prevail.

Mr. Ashbach moved that those not voting be excused from voting. The motion did not prevail.

And the roll being called, there were yeas 35 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Lewis	Olson, A. G.	Solon
Arnold	Gerty	McCutcheon	Olson, H. D.	Spear
Borden	Hughes	Merriam	Perpich, A. J.	Stokowski
Brown	Humphrey	Milton	Perpich, G.	Stumpf
Chenoweth	Keefe, S.	Moe	Purfeerst	Tennessen
Chmielewski	Kleinbaum	North	Schaaf	Wegener
Coleman	Laufenburger	Ogdahl	Schmitz	Willet

Those who voted in the negative were:

Ashbach	Dunn	Josefson	Olhoft	Sillers
Bang	Fitzsimons	Keefe, J.	Olson, J. L.	Stassen
Berg	Frederick	Kirchner	O'Neill	Ueland
Bernhagen	Hansen, Baldy	Knutson	Patton	
Blatz	Hansen, Mel	Kowalczyk	Pillsbury	
Davies	Hanson, R.	Larson	Renneke	
Doty	Jensen	Nelson	Schrom	

So the bill passed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Messages from the House, Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills. The motion prevailed.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1997:

H. F. No. 1997: A bill for an act relating to the operation of state government; providing for aids to education, tax levies and the distribution of tax revenues; changing the funding of special education, adult vocational education and secondary vocational education to a current funding basis; granting certain powers and duties to school districts, the commissioner of education, and the state board of education; establishing a uniform financial accounting and reporting system for Minnesota school districts; requiring the provision of special education on a shared time basis to nonpublic school pupils; appropriating money; amending Minnesota Statutes 1974, Sections 120.17, by adding a subdivision; 120.73, Subdivision 1; 120.74, Subdivision 1; 121.21, by adding a subdivision; 122.45, Subdivisions 2 and 3a; 124.212, by adding a subdivision; 124.32, as amended; Chapter 124, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 122.23, Subdivision 15; 122.45, Subdivision 1; 124.04; 124.17, Subdivisions 1 and 2; 124.212, Subdivision 8a; 124.271, Subdivision 2; 124.43, Subdivision 1; 124.561, Subdivision 3, and by adding a subdivision; 124.562, Subdivision 2; 124.563, Subdivision 3, and by adding a subdivision; 124.564; 124.565, Subdivision 2; 124.611, Subdivisions 1 and 2; 275.125, Subdivisions 2a, 4, 5, 8, 9, and 14; repealing Minnesota Statutes 1974, Sections 122.54 and 275.39.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Graba; Johnson, C.; Adams, S.; Vento and Berg have been appointed as such committee on the part of the House.

House File No. 1997 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 18, 1976

Mr. Anderson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1997, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1636: A bill for an act relating to insurance; clarifying license requirements for persons who enter into, acquire or hold insurance premium finance agreements; amending Minnesota Statutes 1974, Section 59A.03, Subdivision 1.

Senate File No. 1636 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 18, 1976

#### CONCURRENCE AND REPASSAGE

Mr. O'Neill moved that the Senate concur in the amendments by the House to S. F. No. 1636 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1636 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, J.	North	Schmitz
Arnold	Davies	Kirchner	Ogdahl	Schrom
Bang	Dunn	Knutson	Olhoft	Sillers
Berg	Fitzsimons	Kowalczyk	Olson, A. G.	Stassen
Bernhagen	Gearty	Larson	Olson, H. D.	Stumpf
Blatz	Hansen, Baldy	Lewis	Olson, J. L.	Tennessee
Borden	Hansen, Mel	McCutcheon	O'Neill	Ueland
Brown	Hanson, R.	Merriam	Patton	Wegener
Chenoweth	Hughes	Milton	Pillsbury	Willet
Chmielewski	Humphrey	Moe	Purfeerst	
Coleman	Jensen	Nelson	Renneke	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 2173: A bill for an act relating to Minnesota culture; preserving and presenting Minnesota folklife; creating center for study of Minnesota folklife; creating position of state folklorist in the historical society; prescribing powers and duties of the folklorist.

Senate File No. 2173 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

### CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S. F. No. 2173 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 2173 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 48 and nays 2, as follows:

Those who voted in the affirmative were:

Arnold	Fitzsimons	Keefe, J.	Nelson	Sillers
Bang	Frederick	Kirchner	North	Spear
Bernhagen	Gearty	Kleinbaum	Olhoft	Stassen
Borden	Hansen, Baldy	Kowalczyk	Olson, H. D.	Stokowski
Brown	Hansen, Mel	Larson	Olson, J. L.	Stumpf
Chmielewski	Hanson, R.	Lewis	Patton	Tennessee
Coleman	Hughes	McCutcheon	Pillsbury	Ueland
Conzemius	Humphrey	Merriam	Purfeerst	Wegener
Davies	Jensen	Milton	Renneke	
Dunn	Josefson	Moe	Schmitz	

Messrs. Schrom and Willet voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 109, pursuant to the request of the House:

Messrs. Schaaf, Brown and Stokowski.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred under Rule 35, together with the committee report thereon,

H. F. No. 61: A bill for an act relating to highways; directing the department of highways to utilize a certain corridor in Washington county for the construction of interstate highway marked No. I 94.

Reports the same back with the recommendation that the report of the Committee on Metropolitan and Urban Affairs shown in the Journal for March 17, 1976 that "the bill do pass" be adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were re-referred under Joint Rule 20, together with the committee reports thereon,

S. F. Nos. 2388, 2075, 2165, 2018, 2188, 1898, 2484, 2402 and 2071

Reports the same back with the recommendation that the bills receive the action of the previous referring committees. Amendments adopted. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 2402, 2188, 2018, 2165, 2075 and 2388 were read the second time.

#### **SECOND READING OF HOUSE BILLS**

H. F. No. 61 was read the second time.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Anderson moved that H. F. No. 2534, No. 1 on the Calendar of Ordinary Matters, be stricken and placed on General Orders. The motion prevailed.

Mr. Stokowski moved that H. F. No. 2159, No. 2 on the Calendar of Ordinary Matters, be stricken and placed on General Orders. The motion prevailed.

Mr. Ashbach moved that H. F. No. 166, No. 4 on the Calendar of Ordinary Matters, be stricken and placed on General Orders. The motion prevailed.

#### **SUSPENSION OF RULES**

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the rules of the Senate be so far suspended as to make General Orders a Special Orders Calendar for immediate consideration. The motion prevailed.

#### **SPECIAL ORDER**

S. F. No. 1991: A bill for an act relating to education; providing for loans to medical students on certain conditions; amending Minnesota Statutes, 1975 Supplement, Section 147.30.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 49 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Keefe, J.	Nelson	Renneke
Bang	Frederick	Kirchner	North	Schmitz
Bernhagen	Gearty	Kleinbaum	Olhoff	Sillers
Blatz	Hansen, Baldy	Kowalczyk	Olson, A. G.	Spear
Brown	Hansen, Mel	Larson	Olson, H. D.	Stassen
Chmielewski	Hanson, R.	Lewis	Olson, J. L.	Stumpf
Coleman	Hughes	McCutcheon	O'Neill	Ueland
Conzemius	Humphrey	Merriam	Perpich, A. J.	Wegener
Davies	Jensen	Milton	Perpich, G.	Willet
Dunn	Josefson	Moe	Pillsbury	

Mr. Tennessen voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2339: A bill for an act relating to public welfare; specifying services to handicapped persons; defining terms; amending Minnesota Statutes 1974, Section 645.44, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 256.01, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 49 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Frederick	Kirchner	Nelson	Schmitz
Berg	Gearty	Kleinbaum	Olhoff	Sillers
Bernhagen	Hansen, Baldy	Knutson	Olson, H. D.	Solon
Blatz	Hansen, Mel	Kowalczyk	Olson, J. L.	Spear
Chmielewski	Hanson, R.	Larson	O'Neill	Stassen
Coleman	Hughes	Lewis	Patton	Stokowski
Conzemius	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Davies	Jensen	Merriam	Perpich, G.	Tennessen
Dunn	Josefson	Milton	Pillsbury	Willet
Fitzsimons	Keefe, J.	Moe	Renneke	

Mr. North voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2436: A bill for an act relating to public lands; authorizing the commissioner of natural resources to sell certain state owned lands; and authorizing certain county boards to sell certain tax-forfeited lands.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Jensen	Moe	Renneke
Arnold	Doty	Josefson	Nelson	Schmitz
Ashbach	Dunn	Keefe, J.	North	Sillers
Bang	Fitzsimons	Kirchner	Olhoft	Spear
Bernhagen	Frederick	Kleinbaum	Olson, H. D.	Stassen
Blatz	Gearty	Knutson	Olson, J. L.	Stokowski
Borden	Hansen, Baldy	Laufenburger	O'Neill	Stumpf
Brown	Hansen, Mel	Lewis	Patton	Tennessee
Chenoweth	Hanson, R.	McCutcheon	Perpich, A. J.	Willet
Chmielewski	Hughes	Merriam	Perpich, G.	
Coleman	Humphrey	Milton	Pillsbury	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2510: A bill for an act relating to natural resources; authorizing the designation of the Zumbro river as a canoe and boating route; amending Minnesota Statutes 1974, Section 85.32, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 49 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Jensen	North	Schmitz
Ashbach	Dunn	Keefe, J.	Ogdahl	Sillers
Bang	Fitzsimons	Kleinbaum	Olhoft	Spear
Berg	Frederick	Knutson	Olson, H. D.	Stassen
Bernhagen	Gearty	Lewis	O'Neill	Stokowski
Borden	Hansen, Baldy	McCutcheon	Patton	Stumpf
Brown	Hansen, Mel	Merriam	Perpich, A. J.	Tennessee
Chenoweth	Hanson, R.	Milton	Perpich, G.	Ueland
Chmielewski	Hughes	Moe	Pillsbury	Willet
Davies	Humphrey	Nelson	Renneke	

Mr. Schrom voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2486: A bill for an act relating to highways; construction limitations on certain trunk highways; authorizing the preparation of environmental impact statements for such highways; amending Minnesota Statutes, 1975 Supplement, Section 161.123.

Mr. Coleman moved to amend S. F. No. 2486 as follows:

Page 2, line 21 after "statements," insert "recreational and other land use reports, and other elements of the planning process required by federal and state law,"

Page 2, after line 31 insert a new clause (b) as follows:

*“(b) the recommendations of the metropolitan council, transportation advisory board, and interstate study committee as reported to the legislature pursuant to Laws 1975, Chapter 203, Section 16; and”*

Reletter clauses in sequence.

The motion prevailed. So the amendment was adopted.

Mr. Stassen moved to amend S. F. No. 2486 as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes, 1975 Supplement, Section 161.12, is amended to read:

161.12 [ADDITIONAL ROUTES ADDED TO TRUNK HIGHWAY SYSTEM.] To take advantage of federal aid made available by the United States to the state of Minnesota for highway purposes, the following trunk highway routes are added to the trunk highway system which routes form a part of the national system of interstate and defense highways and may be referred to as the interstate system:

Route No. 390. Beginning at a point on the boundary between the states of Minnesota and Iowa, southerly of Albert Lea; thence extending in a general northerly direction to a point on Route No. 111 in the city of St. Paul, and then beginning again at a point on Route No. 392 in through the city of St. Paul; thence extending in a general northeasterly direction to a point in Duluth on the boundary between the states of Minnesota and Wisconsin.

Route No. 391. Beginning at a point on the boundary between the states of Minnesota and South Dakota, westerly of Luverne; thence extending in a general easterly direction to a point on the boundary between the states of Minnesota and Wisconsin, near La Crescent.

Route No. 392. Beginning at a point on the boundary between the states of Minnesota and North Dakota in or near Moorhead; thence extending in a general southeasterly direction through the city of Minneapolis; thence in a general easterly direction through the city of St. Paul to a point on the boundary between the states of Minnesota and Wisconsin in or near Lakeland.

Route No. 393. Beginning at a point on Route No. 392, easterly of the city of St. Paul; thence in a general southerly and westerly direction through the city of South St. Paul; thence in a general westerly direction to a point in Eden Prairie Township, Hennepin County; thence in a general northerly direction to a point in the city of Maple Grove, Hennepin County; thence in a general easterly direction to a point on Route 390; thence in a general easterly, southeasterly and southerly direction to the point of beginning on Route No. 392, easterly of St. Paul.

Route No. 394. Beginning at a point on Route No. 390, southerly of the Minnesota River; thence extending in a general northerly and northeasterly direction through the city of Minneapolis; thence continuing in a northeasterly direction to a point on Route No. 390, near Forest Lake and there terminating.

Route No. 395. Beginning at a point on Route No. 390 at or near the intersection of Superior Street and Nineteenth Avenue West in the

city of Duluth, thence extending in a northeasterly direction to a point on Route No. 103 at or near the intersection of Superior Street and Tenth Avenue East in the city of Duluth.

Sec. 2. Minnesota Statutes, 1975 Supplement, Sections 161.117 and 161.123, are repealed."

Amend the title as follows:

Page 1, line 2, before "construction" insert "removing"

Page 1, line 3, strike "authorizing the" and insert "removing certain routes from the trunk highway system; amending a trunk highway route;"

Page 1, strike line 4

Page 1, line 5, strike "such highways;"

Page 1, line 6, strike "161.123" and insert "161.12; repealing Minnesota Statutes, 1975 Supplement, Sections 161.117 and 161.123"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 26 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Josefson	O'Neill	Stassen
Bang	Fitzsimons	Kirchner	Patton	Ueland
Berg	Frederick	Knutson	Pillsbury	
Bernhagen	Hansen, Mel	Kowalczyk	Purfeerst	
Brown	Hanson, R.	Larson	Renneke	
Chmielewski	Jensen	Olson, J. L.	Sillers	

Those who voted in the negative were:

Anderson	Gearty	Lewis	Olhoff	Solon
Arnold	Hansen, Baldy	McCutcheon	Olson, A. G.	Spear
Borden	Hughes	Merriam	Olson, H. D.	Stokowski
Chenoweth	Humphrey	Milton	Perpich, A. J.	Stumpf
Coleman	Keefe, J.	Moe	Perpich, G.	Wegener
Conzemius	Keefe, S.	Nelson	Schaaf	Willet
Davies	Kleinbaum	North	Schmitz	
Doty	Laufenburger	Ogdahl	Schrom	

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

Mr. McCutcheon moved to amend S. F. No. 2486 as follows:

Page 2, line 20, strike "*be authorized to*"

Amend the title as follows:

Line 3, strike "authorizing" and insert "requiring"

The motion prevailed. So the amendment was adopted.

S. F. No. 2486: A bill for an act relating to highways; construction limitations on certain trunk highways; requiring the preparation of environmental impact statements for such highways; amending Minnesota Statutes, 1975 Supplement, Section 161.123.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 57 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	Olson, H. D.	Solon
Arnold	Fitzsimons	Knutson	Olson, J. L.	Spear
Berg	Gearty	Kowalczyk	O'Neill	Stassen
Bernhagen	Hansen, Baldy	Larson	Patton	Stokowski
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Stumpf
Brown	Hanson, R.	McCutcheon	Pillsbury	Tennessee
Chenoweth	Hughes	Merriam	Purfeerst	Ueland
Chmielewski	Humphrey	Nelson	Renneke	Wegener
Coleman	Jensen	North	Schaaf	Willet
Conzemius	Keefe, J.	Ogdahl	Schmitz	
Davies	Keefe, S.	Olhoff	Schrom	
Doty	Kirchner	Olson, A. G.	Sillers	

Messrs. Ashbach, Frederick and Josefson voted in the negative.

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

#### MEMBERS EXCUSED

Mr. Josefson was excused from the Session of today from 4:30 o'clock p.m. until 5:30 o'clock p.m.

#### SPECIAL ORDER

H. F. No. 771: A bill for an act relating to the city of Albert Lea; placing the chief of police under the public employees police and fire fund.

Mr. Perpich, G. moved to amend H. F. No. 771 as follows:

Page 2, after line 7, insert:

"Sec. 2. Notwithstanding the provisions of any general or special law or city ordinance, all police officers employed by the city of Buhl on and after February 17, 1976 shall be members of the public employees retirement association police and fire fund, and shall not be eligible for membership in the Buhl Police Relief Association."

Page 2, line 8, before "This" insert "Section 1 of"

Page 2, line 10, before the period, insert "; and section 2 is effective upon approval by the Buhl city council and upon compliance with Minnesota Statutes, Section 645.021"

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "city" and insert "cities"

Line 2, after "Lea" insert "and Buhl"

Line 3, after "police" insert "of Albert Lea"

Line 4, before the period, insert "; providing membership of police officers of the city of Buhl in the public employees retirement association police and fire fund"

The motion prevailed. So the amendment was adopted.

H. F. No. 771 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 52 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Gearty	Kowalczyk	Olson, J. L.	Spear
Ashbach	Hansen, Baldy	Larson	O'Neill	Stassen
Berg	Hansen, Mel	Lewis	Patton	Stokowski
Bernhagen	Hanson, R.	Merriam	Perpich, G.	Stumpf
Borden	Hughes	Moe	Pillsbury	Tennessee
Brown	Jensen	Nelson	Renneke	Ueland
Chenoweth	Josefson	North	Schaaf	Wegener
Chmielewski	Keefe, J.	Ogdahl	Schmitz	Willet
Davies	Keefe, S.	Olhoft	Schrom	
Dunn	Kirchner	Olson, A. G.	Sillers	
Fitzsimons	Kleinbaum	Olson, H. D.	Solon	

Mr. Doty voted in the negative.

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

#### SPECIAL ORDER

S. F. No. 1800: A bill for an act relating to unemployment compensation; providing for exclusion of certain part time services; providing for an emergency surtax in employer contributions; modifying disqualifying conditions for employment compensation; permitting information to be furnished to department of public welfare by commissioner of employment services; permitting information to be furnished to department of employment services by commissioner of revenue; providing taxation of unemployment compensation benefits in certain conditions; providing a penalty; amending Minnesota Statutes 1974, Sections 268.06, by adding a subdivision; 268.12, Subdivision 12; and 290.61; Minnesota Statutes, 1975 Supplement, Sections 268.04, Subdivision 12; 268.06, Subdivision 8; 268.09, Subdivision 1; and 290.01, Subdivision 20.

Mr. Doty moved to amend S. F. No. 1800 as follows:

Page 16, line 29, strike "six" and insert "four"

Page 18, line 23, strike "six" and insert "four"

Page 21, line 13, strike "six" and insert "four"

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

Mr. Brown moved to amend S. F. No. 1800 as follows:

Page 10, lines 26 and 27, strike "under the age of 22"

The motion prevailed. So the amendment was adopted.

Mr. Keefe, S. moved to amend S. F. No. 1800 as follows:

Page 15, after line 30, insert:

"Sec. 4. Minnesota Statutes, 1975 Supplement, Section 268.08, Subdivision 1, is amended to read:

268.08 [PERSONS ELIGIBLE TO RECEIVE BENEFITS.] Subdivision 1. [ELIGIBILITY CONDITIONS.] An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that:

(1) He has registered for work at and thereafter has continued to report to an employment office, or agent of such office, in accordance with such regulations as the commissioner may prescribe; except that the commissioner may by regulation waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which he finds that compliance with such requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) He has made a claim for benefits in accordance with such regulations as the commissioner may prescribe; and

(3) He was able to work and was available for work, and was actively seeking work, provided that individual's weekly benefit amount shall be reduced one-fifth for each day such individual is unable to work or unavailable for work; provided further that benefits after December 31, 1971, shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner *which approval shall not be denied in the case of an individual solely because he had saleable skills and reasonable prospects of finding employment without training in a type of employment subject to recurring seasonal unemployment* ;

(4) He has been unemployed for a waiting period of one week during which he is otherwise eligible for benefits under sections 268.03 to 268.24, provided, however, payment for the waiting week shall be made to such individual after he has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of such individual's return to employment. No individual shall be required to serve a waiting period of more than one week within the one year period subsequent to filing a valid claim and commencing with the week within which such valid claim was filed."

Renumber the remaining sections accordingly

Page 32, line 3, strike "5 and 7" and insert "4, 6 and 8"

Page 32, line 7, strike "4" and insert "5"

Page 32, line 8, strike "6" and insert "7"

Amend the title as follows:

Page 1, line 5, after the semicolon insert "prohibiting the denial of benefits to persons in training programs who were employed in a job involving recurring seasonal unemployment;"

Page 1, line 18, after "Subdivision 8;" insert "268.08, Subdivision 1;"

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

Mr. Spear moved to amend S. F. No. 1800 as follows:

Page 14, after line 25, insert:

“Sec. 2. Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 25, is amended to read:

Subd. 25. “Wages” means all remuneration for services, including commissions and bonuses, and tips and gratuities paid to an employee by a customer of an employer and accounted for by the employee to the employer, and the cash value of all remuneration in any medium other than cash, except that such term shall not include:

(1) For the purpose of determining contributions payable under section 268.06, subdivision 2, that part of the remuneration which exceeds the lesser of \$6,500 or 70 percent of the average annual wage rounded to the nearest \$100 computed in accordance with the provisions of clause (6) of this subdivision paid to an individual by an employer with respect to covered employment in this state, or with respect to employment under the unemployment compensation law of any other state during any calendar year paid to such individual by such covered employer or his predecessor during such calendar year; provided, that if the term “wages” as contained in the federal unemployment tax act is amended to include remuneration in excess of the amount required to be paid hereunder to an individual by an employer under the federal act for any calendar year, wages for the purposes of sections 268.03 to 268.24 shall include remuneration paid in a calendar year up to an amount equal to the dollar limitation specified in the federal unemployment tax act. For the purposes of this clause, the term “employment” shall include service constituting employment under any employment security law of another state or of the federal government;

(2) The amount of any payment made to, or on behalf of, an employee under a plan or system established by an employer which makes provision for his employees generally or for a class or classes of his employees (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of (a) retirement or (b) sickness or accident disability or (c) medical and hospitalization expenses in connection with sickness or accident disability, or (d) death, provided the employee (i) has not the option to receive, instead of provision for such death benefit, any part of such payment, or if such death benefit is insured, any part of the premium (or contributions to premiums) paid by his employer and (ii) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employer;

(3) The payment by an employer (without deduction from the remuneration of the employee) (a) of the tax imposed upon an employee under section 3101 of the federal internal revenue code, or (b) of any payment required from an employee under a state unemployment compensation law;

(4) Any payments made to a former employee during the period of active military service in the armed forces of the United States by such employer, whether legally required or not;

(5) Any payment made to, or on behalf of, an employee or his beneficiary (a) from or to a trust described in section 401(a) of the federal internal revenue code which is exempt from tax under section 501(a) of such code at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as an employee and not as a beneficiary of the trust, or (b) under or to an annuity plan which, at the time of such payment is a plan described in section 403(a) of the federal internal revenue code, or (c) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a) of the federal internal revenue code;

(6) On or before July 1 of each year the commissioner shall determine the average annual wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.

(b) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

The average annual wage determined shall be effective for the calendar year next succeeding the determination.

This section shall become effective January 1, 1976."

Page 15, after line 30, insert:

"Sec. 5. Minnesota Statutes, 1975 Supplement, Section 268.07, Subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] If the commissioner finds that an individual has earned 18, or more, credit weeks, and \$540 or more in wage credits, within the base period of employment in insured work with one or more employers, benefits shall be payable to such individual during his benefit year as follows:

(1) Weekly benefit amount shall be equal to 60 percent of the first \$85, 40 percent of the next \$85 and 50 percent of the remainder of the average weekly wage of such individual, computed to the nearest whole dollar, subject to a maximum of the lesser of \$116 or 62 percent of the average weekly wage paid to individuals by employers subject to the provisions of sections 268.03 to 268.24.

On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) The sum of the total monthly employment reported for the

previous calendar year shall be divided by 12 to determine the average monthly employment.

(b) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

(c) The average annual wage shall be divided by 52 to determine the average weekly wage.

The maximum weekly benefit amount as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

(2) An individual's maximum amount of regular benefits payable in a benefit year shall not exceed the lesser of (a) 26 times his weekly benefit amount or (b) 70 percent of the number of credit weeks earned by such an individual computed to the nearest whole week times his weekly benefit amount.

(3) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, including holiday pay, payable to him with respect to such week which is in excess of \$25. Such benefit, if not a multiple of \$1, shall be computed to the next higher multiple of \$1.

(4) The provisions of this subdivision shall apply to claims for benefits which establish a benefit year subsequent to June 30, 1975."

Page 32, line 3, strike "5 and 7" and insert "7 and 9"

Page 32, line 5, strike "2" and insert "3"

Page 32, line 6, strike "3" and insert "4"

Page 32, line 7, strike "Section 4 is" and insert "Sections 2, 5 and 6 are"

Page 32, line 8, strike "6" and insert "8"

Amend the title as follows:

Page 1, line 5, after the semicolon insert "removing ceilings on wage base and benefit amounts;"

Page 1, line 17, strike "Subdivision 12" and insert "Subdivisions 12 and 25"

Page 1, line 18, after "8;" insert "268.07, Subdivision 2;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 11 and nays 33, as follows:

Those who voted in the affirmative were:

Borden	Gearty	Keefe, S.	North	Spear
Coleman	Humphrey	Merriam	Schaaf	Stumpf
Doty				

Those who voted in the negative were:

Anderson	Hansen, Baldy	Larson	O'Neill	Schrom
Ashbach	Hansen, Mel	McCutcheon	Patton	Sillers
Bang	Hanson, R.	Moe	Perpich, A. J.	Ueland
Berg	Kirchner	Nelson	Perpich, G.	Wegener
Bernhagen	Kleinbaum	Olhoft	Pillsbury	Willet
Brown	Knutson	Olson, H. D.	Renneke	
Dunn	Kowalczyk	Olson, J. L.	Schmitz	

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

Mr. Stumpf moved to amend S. F. No. 1800 as follows:

Page 14, after line 25 insert:

"Sec. 2. Minnesota Statutes 1974, Section 268.04, Subdivision 29, is amended to read:

Subd. 29. "Credit week" with respect to any claim for benefits which establishes a benefit year subsequent to June 27, 1970, is any week for which wages have been paid and wages are due and payable but not paid of ~~\$20~~ \$50 or more by or from one or more employers to an employee for insured work."

Page 15, after line 30, insert:

"Sec. 5. Minnesota Statutes, 1975 Supplement, Section 268.07, Subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] If the commissioner finds that an individual has earned ~~18 15~~, or more, credit weeks, and ~~\$540 or more in wage credits~~, within the base period of employment in insured work with one or more employers, benefits shall be payable to such individual during his benefit year as follows:

(1) Weekly benefit amount shall be equal to 60 percent of the first \$85, 40 percent of the next \$85 and 50 percent of the remainder of the average weekly wage of such individual, computed to the nearest whole dollar, subject to a maximum of the lesser of \$116 or 62 percent of the average weekly wage paid to individuals by employers subject to the provisions of sections 268.03 to 268.24.

On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.

(b) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

(c) The average annual wage shall be divided by 52 to determine the average weekly wage.

The maximum weekly benefit amount as so determined computed to

the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

(2) An individual's maximum amount of regular benefits payable in a benefit year shall not exceed the lesser of (a) 26 times his weekly benefit amount or (b) 70 percent of the number of credit weeks earned by such an individual computed to the nearest whole week times his weekly benefit amount.

(3) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, including holiday pay, payable to him with respect to such week which is in excess of \$25. Such benefit, if not a multiple of \$1, shall be computed to the next higher multiple of \$1.

(4) The provisions of this subdivision shall apply to claims for benefits which establish a benefit year subsequent to June 30, 1975."

Renumber the remaining sections accordingly

Page 32, line 3, strike "5 and 7" and insert "9 and 11"

Page 32, line 5, strike "2" and insert "3"

Page 32, line 6, strike "3" and insert "4"

Page 32, line 7, strike "Section 4 is" and insert "Sections 2, 6 and 10 are"

Page 32, line 8, strike "6" and insert "10"

Amend the title as follows:

Page 1, line 14, after "Sections" insert "268.04, Subdivision 29;"

Page 1, line 18, after "8;" insert "268.07, Subdivision 2;"

The motion prevailed. So the amendment was adopted.

Mr. Davies moved to amend S. F. No. 1800 as follows:

Page 21, after line 16, insert

"Sec. 7. Minnesota Statutes 1974, Section 268.10, Subdivision 1, is amended to read:

268.10 [DETERMINATION OF CLAIMS FOR BENEFITS; APPEALS.] Subdivision 1. [FILING.] Claims for benefits shall be made in accordance with regulations as the commissioner may prescribe. *Each application form shall require the applicant's signature and shall contain the statement "I hereby certify under penalty of perjury that all representations made in this application are true."* Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such printed statements shall be supplied by the commissioner to each employer without cost to him.

(1) Any employer upon separation of an employee from his employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation

notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of his employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner within three days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish such separation notices which he has received from all employers from whom such individual earned wage credits in the base period.

(2) Upon the filing, by an individual, of a claim for benefits, the commissioner shall give notice to all such base period employers of the filing of such claim and request each such base period employer, within seven days after the mailing of such notice, to furnish the following information:

- (a) The total wage credits earned in the base period;
- (b) The number of credit weeks which end within the base period;
- (c) The week ending dates for each calendar week within the base period in which the individual earned less than the amount required to make a credit week and the amount of earnings in each such week;
- (d) The reason for the separation or separations of such individual from the employ of the employer in the base period; and
- (e) Such employer's protest, if any, relating to the ineligibility or disqualification of such individual.

(3) If any base period employer, after the notice of filing of a claim and the request for wage and separation information has been duly mailed to his last known address, fails to file information as provided by items (a) through (e) of clause 2 of this subdivision within seven days the commissioner shall determine an individual's benefit rights based on the claimant's statements or any other available information. Any employer shall be liable for a late filing fee of not less than \$5 nor more than \$25, as the commissioner may determine, to be paid to the department of employment services and credited to the contingent fund if he has failed without good cause to submit the wage and separation information as required in clause 2 of this subdivision within seven days after the request has been duly mailed to his last known address. In the absence of fraud, if a redetermination of benefit rights based on an employer's late report subsequently cancels or reduces the amount of benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid to him prior to such redetermination.

Sec. 8. Minnesota Statutes 1974, Section 268.18, Subdivision 3, is amended to read:

Subd. 3. [PENALTY FOR FALSE STATEMENTS.] Whoever makes a false statement or representation knowing it to be false or knowingly fails to disclose a material fact to obtain or increase any benefit or other payment under sections 268.03 to 268.24, or under the employment security law of any state or of the federal government or of a foreign government, either for himself or any other person, shall be guilty of a ~~misdemeanor~~ violation of section 609.48 .

Any employing unit or any officer or agent of an employing unit or any other person who makes a false statement or representation knowing it to be false, or who knowingly fails to disclose a material fact, to prevent or reduce the payment of benefits to any individual entitled thereto, or to avoid becoming or remaining a subject employer or to avoid or reduce any contribution or other payment required from an employing unit under those sections or under the employment security law of any state or of the federal government, or who wilfully fails or refuses to make any such contributions or other payment or to furnish any reports at the time when required hereunder or to produce or permit the inspection or copying of records as required hereunder, shall be guilty of a ~~misdeemeanor~~ violation of section 609.48."

Renumber the sections accordingly

Page 32, line 3, after "5" strike "and 7" and insert ", 9 and 11"

Page 32, line 8, strike "6" and insert "10"

Amend the title as follows:

Page 1, line 15, after "subdivision;" insert "268.10, Subdivision 1; 268.18, Subdivision 3;"

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S. F. No. 1800 as follows:

Page 30, strike lines 23 to 32

Page 31, strike lines 1 to 32

Page 32, strike lines 1 to 2

Page 32, line 3, strike the comma and insert "and"

Page 32, line 3, strike "and 7"

Amend the title as follows:

Page 1, line 9, strike "permitting information to be furnished"

Page 1, strike line 10

Page 1, line 11, strike "commissioner of revenue;"

Page 1, line 15, after "subdivision;" insert "and"

Page 1, line 15, strike "and"

Page 1, line 16, strike "290.61;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 23 and nays 35, as follows:

Those who voted in the affirmative were:

Arnold	Gerty	Lewis	Olson, A. G.	Stokowski
Borden	Hughes	McCutcheon	Olson, H. D.	Stumpf
Chmielewski	Humphrey	Merriam	Purfeerst	Tennessee
Coleman	Keefe, S.	Milton	Schaaf	
Davies	Laufenburger	Moe	Spear	

Those who voted in the negative were:

Ashbach	Hansen, Baldy	Knutson	O'Neill	Schrom
Bang	Hansen, Mel	Kowalczyk	Patton	Sillers
Berg	Hanson, R.	Larson	Perpich, A. J.	Solon
Bernhagen	Jensen	Nelson	Perpich, G.	Stassen
Brown	Keefe, J.	Ogdahl	Pillsbury	Ueland
Fitzsimons	Kirchner	Olhoff	Renneke	Wegener
Frederick	Kleinbaum	Olson, J. L.	Schmitz	Willet

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

Mr. Olson, H. D. moved to amend S. F. No. 1800 as follows:

Page 31, line 6, after "person" insert "who has applied for unemployment compensation benefits,"

The motion prevailed. So the amendment was adopted.

Mr. Keefe, S. moved to amend S. F. No. 1800 as follows:

Page 14, after line 25, insert:

"Sec. 2. Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 25, is amended to read:

Subd. 25. "Wages" means all remuneration for services, including commissions and bonuses, and tips and gratuities paid to an employee by a customer of an employer and accounted for by the employee to the employer, and the cash value of all remuneration in any medium other than cash, except that such term shall not include:

(1) For the purpose of determining contributions payable under section 268.06, subdivision 2, that part of the remuneration which exceeds the lesser of \$6,500 or 70 85 percent of the average annual wage rounded to the nearest \$100 computed in accordance with the provisions of clause (6) of this subdivision paid to an individual by an employer with respect to covered employment in this state, or with respect to employment under the unemployment compensation law of any other state during any calendar year paid to such individual by such covered employer or his predecessor during such calendar year; provided, that if the term "wages" as contained in the federal unemployment tax act is amended to include remuneration in excess of the amount required to be paid hereunder to an individual by an employer under the federal act for any calendar year, wages for the purposes of sections 268.03 to 268.24 shall include remuneration paid in a calendar year up to an amount equal to the dollar limitation specified in the federal unemployment tax act. For the purposes of this clause, the term "employment" shall include service constituting employment under any employment security law of another state or of the federal government;

(2) The amount of any payment made to, or on behalf of, an employee under a plan or system established by an employer which makes provision for his employees generally or for a class or classes of his employees (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of (a) retirement or (b) sickness or accident disability or (c) medical and hospitalization expenses in connection with sickness

or accident disability, or (d) death, provided the employee (i) has not the option to receive, instead of provision for such death benefit, any part of such payment, or if such death benefit is insured, any part of the premium (or contributions to premiums) paid by his employer and (ii) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employer;

(3) The payment by an employer (without deduction from the remuneration of the employee) (a) of the tax imposed upon an employee under section 3101 of the federal internal revenue code, or (b) of any payment required from an employee under a state unemployment compensation law;

(4) Any payments made to a former employee during the period of active military service in the armed forces of the United States by such employer, whether legally required or not;

(5) Any payment made to, or on behalf of, an employee or his beneficiary (a) from or to a trust described in section 401(a) of the federal internal revenue code which is exempt from tax under section 501(a) of such code at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as an employee and not as a beneficiary of the trust, or (b) under or to an annuity plan which, at the time of such payment is a plan described in section 403(a) of the federal internal revenue code, or (c) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a) of the federal internal revenue code;

(6) On or before July 1 of each year the commissioner shall determine the average annual wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.

(b) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

The average annual wage determined shall be effective for the calendar year next succeeding the determination.

This section shall become effective January 1, 1976."

Page 15, line 5, strike "nine-tenths of"

Page 15, strike lines 23 to 30

Page 32, line 5, strike "2" and insert "3"

Page 32, line 6, strike "Section 3 is effective retroactive to January 1,"

Page 32, line 7, strike "1976."

Page 32, line 7, strike "Section 4 is" and insert "Sections 2 and 4 are"

Amend the title as follows:

Page 1, strike line 4

Page 1, line 5, strike "contributions" and insert "increasing the wage base"

Page 1, line 17, strike "Subdivision 12" and insert "Subdivisions 12 and 25"

Mr. O'Neill moved a substitute amendment to the Keefe, S. amendment to amend S. F. No. 1800 as follows:

Page 15, line 30, after the period insert:

*"Employers subject to this surtax shall be reimbursed from the general fund. There is hereby appropriated from the general fund to the commissioner of employment services the sum of \$37,000,000 to carry out the purposes of this section. This appropriation shall not cancel until expended for the purpose stated."*

Amend the title as follows:

Page 1, line 13, before "amending" insert "appropriating money from the general fund;"

The question being taken on the adoption of the O'Neill substitute amendment,

And the roll being called, there were yeas 21 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Fitzsimons	Kirchner	Ogdahl	Renneke
Bang	Frederick	Knutson	Olson, J. L.	Sillers
Berg	Jensen	Kowalczyk	O'Neill	Stassen
Bernhagen	Keefe, J.	Larson	Patton	Ueland
Brown				

Those who voted in the negative were:

Anderson	Dunn	Lewis	Perpich, A. J.	Spear
Arnold	Gearty	McCutcheon	Perpich, G.	Stokowski
Borden	Hansen, Baldy	Merriam	Pillsbury	Stumpf
Chmielewski	Hughes	Milton	Purfeerst	Tennessee
Coleman	Humphrey	Moe	Schaaf	Wegener
Conzemius	Keefe, S.	Olhoff	Schmitz	Willet
Davies	Kleinbaum	Olson, A. G.	Schrom	
Doty	Laufenburger	Olson, H. D.	Solon	

The motion did not prevail. So the substitute amendment was not adopted.

The question recurred on the Keefe, S. amendment.

Mr. Jensen requested division of the amendment as follows:

First portion: All of the Keefe, S. amendment except the following:

"Page 15, line 5, strike "nine-tenths of"

Second portion:

"Page 15, line 5, strike "nine-tenths of"

The question being taken on the adoption of the first portion of the Keefe, S. amendment,

And the roll being called, there were yeas 7 and nays 51, as follows:

Those who voted in the affirmative were:

Brown	Jensen	Schaaf	Spear	Stassen
Hansen, Mel	Keefe, S.			

Those who voted in the negative were:

Anderson	Dunn	Knutson	Olson, A. G.	Sillers
Arnold	Fitzsimons	Kowalczyk	Olson, H. D.	Solon
Bang	Frederick	Larson	Olson, J. L.	Stokowski
Berg	Gearty	Laufenburger	O'Neill	Stumpf
Bernhagen	Hansen, Baldy	McCutcheon	Patton	Tennessee
Borden	Hanson, R.	Merriam	Perpich, A. J.	Wegener
Chmielewski	Hughes	Milton	Perpich, G.	Willet
Coleman	Humphrey	Moe	Pillsbury	
Conzemius	Keefe, J.	Nelson	Purfeerst	
Davies	Kirchner	Ogdahl	Schmitz	
Doty	Kleinbaum	Olhoff	Schrom	

The motion did not prevail. So the first portion of the Keefe, S. amendment was not adopted.

The question being taken on the second portion of the Keefe, S. amendment,

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

Mr. Frederick moved to amend S. F. No. 1800 as follows:

Page 15, strike section 3

Renumber the sections in sequence

Amend the title as follows:

Strike line 4

Line 5, strike "contributions;"

Lines 14 and 15, strike "268.06, by adding a subdivision;"

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

Mr. Schaaf moved to amend S. F. No. 1800 as follows:

Page 11, after line 6, insert

*"(4) Service performed in the employ of any organization exempt from income tax under section 501 (a) (other than an organization described in section 401 (a) of the federal internal revenue code), provided: financing for the operations of the employer come primarily from voluntary contributions or governmental grants; and such service consists primarily of the supervision of work crews of minors or the supervision of the recreational activities of minors; and the period of such service does not exceed 16 weeks in a calendar year."*

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

S. F. No. 1800: A bill for an act relating to unemployment compensation; providing for exclusion of certain part time services; providing for an emergency surtax in employer contributions; modifying disqualifying conditions for employment compensation; permitting information to be furnished to department of public welfare by commissioner of employment services; permitting information to be furnished to department of employment services by commissioner of revenue; providing taxation of unemployment compensation benefits in certain conditions; providing a penalty: amending Minnesota Statutes 1974, Sections 268.04, Subdivision 29; 268.06, by adding a subdivision; 268.10, Sub-

division 1; 268.18, Subdivision 3; 268.12, Subdivision 12; and 290.61; Minnesota Statutes, 1975 Supplement, Sections 268.04, Subdivision 12; 268.06, Subdivision 8; 268.07, Subdivision 2; 268.09, Subdivision 1; and 290.01, Subdivision 20.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 56 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, J.	Olhoft	Sillers
Arnold	Doty	Kirchner	Olson, A. G.	Solon
Ashbach	Dunn	Kleinbaum	Olson, H. D.	Stassen
Bang	Fitzsimons	Kowalczyk	O'Neill	Stokowski
Berg	Frederick	Larson	Patton	Tennessee
Bernhagen	Gearty	Laufenburger	Perpich, A. J.	Ueland
Blatz	Hansen, Baldy	Lewis	Perpich, G.	Wegener
Borden	Hansen, Mel	McCutcheon	Pillsbury	Willet
Brown	Hanson, R.	Milton	Renneke	
Chmielewski	Hughes	Moe	Schaaf	
Coleman	Humphrey	Nelson	Schmitz	
Conzemius	Jensen	Ogdahl	Schrom	

Messrs. Keefe, S.; Merriam; Spear and Stumpf voted in the negative.

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

#### MOTIONS AND RESOLUTIONS—CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Reports of Committees and Second Reading of House Bills. The motion prevailed.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

H. F. No. 1979: A bill for an act relating to taxation; defining "claimant" for purposes of certain homestead credits; amending Minnesota Statutes, 1975 Supplement, Sections 290A.03, Subdivision 8; and 290A.04, Subdivisions 2 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

#### "ARTICLE I

Section 1. Minnesota Statutes 1974, Chapter 290, is amended by adding a section to read:

[290.067] [DEPENDENT CARE CREDIT.] *Subdivision 1.* [DEFINITIONS.] *For purposes of this section, the terms defined herein shall have the meanings given them unless the context clearly indicates another meaning.*

*"Claimant" means an individual who has filed a claim under this subdivision. To be eligible to file, the individual shall have been domiciled in this state during the entire taxable year for which he files a claim for relief. Only one spouse in a married couple may be a claimant.*

*“Qualifying individual” means (1) an individual dependent upon and receiving his chief support from the claimant, if the dependent has not attained the age of 15 years, or is physically or mentally incapable of caring for himself; or (2) a spouse of the claimant who is physically or mentally incapable of caring for himself.*

*“Income” means gross income as defined in Minnesota Statutes, Section 290.01, Subdivision 20. If the claimant is married, income shall be the combined income of both spouses, and the spouses shall file their income tax return for the year for which the credit is claimed, either jointly or separately, on one form. A claimant shall not be considered as married if,*

*(1) he is legally separated from his spouse under a decree of divorce or of separate maintenance at the close of the taxable year, or*

*(2) he has been deserted by his spouse and has not known the whereabouts of his spouse at any time during the last six months of the taxable year.*

*“Qualifying dependent care expenses” means the amount actually paid by a claimant for the cost of care for a qualifying individual but only if the care is obtained for the purpose of enabling the claimant to be gainfully employed. In the case of a married claimant, no expenses shall be included as qualifying dependent care expenses if the expenses were incurred during any period in which the claimant’s spouse was neither gainfully employed nor eligible as a qualifying individual; if both spouses are gainfully employed, the amount of qualifying dependent care expenses for which a credit will be given pursuant to this subdivision shall not exceed the lesser of the income of the claimant alone or that of his spouse alone during the taxable year for which the claim was made. No payment made by a claimant for care given to a qualifying individual shall be considered a qualifying dependent care expense if the care is given by and the payments made to an individual who is dependent upon and receiving his chief support from the claimant or the spouse of the claimant. No expense for which a deduction is claimed pursuant to Minnesota Statutes, Section 290.09, Subdivision 10 shall be included as a qualifying dependent care expense.*

*Subd. 2. [CLAIM FOR CREDIT.] A credit shall be given to each eligible claimant in an amount determined according to subdivision 3. A claimant under this section shall file with the commissioner of revenue a Minnesota income tax return or any other form the commissioner prescribes to claim the credit. The claimant shall include in support of his claim reasonable proof of expenses paid and the names and addresses of payees.*

*Subd. 3. [AMOUNT OF CREDIT.] The credit given shall equal ten percent of the total amount actually paid by a claimant as qualifying dependent care expenses, subject to the limitations provided herein. The credit for each dependent shall not exceed \$150 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$300 in the taxable year. In the case of a married claimant, the credit shall be reduced by an amount equal to five percent of the income of the claimant which is over \$15,000. Only those expenses incurred on behalf of a qualifying individual during the time*

when that person was a qualifying individual shall qualify for the credit.

**Subd. 4. [CREDIT TO BE REFUNDABLE.]** *If the amount of credit which a claimant would be eligible to receive pursuant to this subdivision exceeds his tax liability under Minnesota Statutes, Chapter 290, the excess amount of the credit shall be refunded to the claimant by the commissioner of revenue.*

**Subd. 5. [RIGHT TO FILE CLAIM.]** *The right to file a claim under this section shall exist according to the terms of Minnesota Statutes, Section 290.984.*

**Subd. 6. [APPROPRIATION.]** *A sum sufficient to pay the claims for credit to be given pursuant to section 1 of this article shall be appropriated annually to the commissioner of revenue from the general fund in the state treasury.*

**Sec. 2. [REPEALER.]** *Minnesota Statutes 1974, Section 290.09, Subdivision 26, is repealed.*

**Sec. 3. [EFFECTIVE DATE.]** *This article is effective for taxable years beginning after December 31, 1975.*

## ARTICLE II

Section 1. Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 8, is amended to read:

**Subd. 8. [CLAIMANT.]** "Claimant" means a person who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes are payable for not less than six months of the calendar year covered by the claim, *except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on residence in a unit on which ad valorem taxes were not payable.* In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. Maximum credit allowed under this computation would be at a rate of one-twelfth of the maximum credit allowed pursuant to section 290A.04 per month of residency computed to the nearest full month. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.

If a homestead is occupied by two or more unrelated renters, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

**Sec. 2.** Minnesota Statutes, 1975 Supplement, section 290A.04, Subdivision 2, is amended to read:

Subd. 2. The credit shall be paid to claimants whose property taxes payable exceed the following percentages of their income, up to the designated maximum credit amounts:

For claimants earning:

\$ 0 to \$ 2,499,	1.0 percent,	up to \$4.75;
2,500 to 19,999,	1.5 percent,	up to \$475;
20,000 to 22,999,	1.6 percent,	up to \$475;
23,000 to 25,999,	1.8 percent,	up to \$425;
26,000 to 30,999,	2.0 percent,	up to \$375;
31,000 to 35,999,	2.2 percent,	up to \$350;
36,000 to 40,999,	2.4 percent,	up to \$325;
41,000 to 44,999,	2.6 percent,	up to \$325;
45,000 to 52,999,	2.8 percent,	up to \$325;
53,000 to 65,999,	3.0 percent,	up to \$325;
66,000 to 81,999,	3.2 percent,	up to \$325;
82,000 to 99,999,	3.5 percent,	up to \$325;
100,000 and over,	4.0 percent,	up to \$325;

provided that maximum credits for incomes above \$20,000 decline according to the following schedule:

between \$20,000 and \$26,000 decline \$16.67 per \$1,000; between \$26,000 and \$36,000 decline \$5 per \$1,000.

*In the case of a claimant who was disabled on June 1 or who attained the age of 65 on the date specified in subdivision 1, the credit shall not be less than the credit which the claimant's household income as defined in section 290A.03 and property tax or rent constituting property tax would have entitled him to receive under Minnesota Statutes 1974, Section 290.0618.*

The credit shall be the amount calculated pursuant to this subdivision, *but not exceeding \$675*, less the homestead credit given pursuant to section 273.13, subdivisions 6 and 7.

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 290A.04, Subdivision 3, is amended to read:

Subd. 3. The commissioner of revenue shall construct and make available to taxpayers a comprehensive table showing the property taxes to be paid and credit allowed at various levels of income and assessment. The table shall follow the schedule of income percentages **and**, maximums **and other provisions** specified in subdivision 2, except that the commissioner may graduate the transition between income brackets.

*For homestead property owners who are disabled or are 65 or older, as provided in subdivision 1, the commissioner shall base his determination of the credit on the gross qualifying tax reduced by*

*the average statewide effective homestead credit percentage for taxes payable in 1975 calculated under Minnesota Statutes, Section 273.13, Subdivisions 6 and 7.*

*Sec. 4. In 1976, the commissioner shall recompute the credit for any person who has filed a claim and is affected by this article. He shall pay to these people the amount of the credit in excess of any credit which has been paid, without requiring an amended return to be filed. Notwithstanding the provisions of section 290A.07, payments pursuant to this section may be made more than 60 days after the date the claim was filed without interest.*

*Sec. 5. This article is effective for taxable years beginning after December 31, 1974.*

### ARTICLE III

Section 1. Minnesota Statutes 1974, Section 291.03, is amended to read:

291.03 [RATES.] When the property or any beneficial interest therein passes by any such transfer where the amount of the property shall exceed in value the exemption or exemptions hereinafter specified, where applicable, the tax hereby imposed shall be:

(1) Where the person entitled to any beneficial interest in such property shall be the ~~widew~~ *surviving spouse*, minor or dependent child of the decedent, or any minor or dependent legally adopted child at the following prescribed rates:

1½ percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

2 percent on the next \$25,000 or part thereof.

3 percent on the next \$50,000 or part thereof.

4 percent on the next \$50,000 or part thereof.

5 percent on the next \$50,000 or part thereof.

6 percent on the next \$100,000 or part thereof.

7 percent on the next \$100,000 or part thereof.

8 percent on the next \$100,000 or part thereof.

9 percent on the next \$500,000 or part thereof.

10 percent on the excess over \$1,000,000.

(2) Where the person or persons entitled to any beneficial interest in such property shall be the ~~husband~~, adult child or other lineal descendant of the decedent, adult legally adopted child or issue, lineal ancestor of the decedent, stepchild as defined in section 291.005, or any child to whom such decedent for not less than ten years prior to such transfer stood in the mutually acknowledged relation of a parent; provided, such mutually acknowledged relationship began at or before the child's fifteenth birthday and was continuous for said ten years thereafter, or any lineal issue

of such mutually acknowledged child, at the following prescribed rates:

2 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

4 percent on the next \$25,000 or part thereof.

6 percent on the next \$50,000 or part thereof.

7 percent on the next \$100,000 or part thereof.

8 percent on the next \$200,000 or part thereof.

9 percent on the next \$600,000 or part thereof.

10 percent on the excess over \$1,000,000.

(3) Where the person or persons entitled to any beneficial interest in such property shall be the brother or sister or a descendant of a brother or sister of the decedent, a wife or widow of a son, or ~~the~~ a husband or widower of a daughter of the decedent, at the following prescribed rates:

6 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

8 percent on the next \$25,000 or part thereof.

10 percent on the next \$50,000 or part thereof.

12 percent on the next \$50,000 or part thereof.

14 percent on the next \$50,000 or part thereof.

16 percent on the next \$100,000 or part thereof.

18 percent on the next \$100,000 or part thereof.

20 percent on the next \$100,000 or part thereof.

22 percent on the next \$500,000 or part thereof.

25 percent on the excess over \$1,000,000.

(4) Where the person or persons entitled to any beneficial interest in such property shall be in any other degree of collateral consanguinity than is hereinbefore stated, or shall be a stranger in blood to the decedent, or shall be a body politic or corporate, at the following prescribed rates:

8 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

10 percent on the next \$25,000 or part thereof.

12 percent on the next \$50,000 or part thereof.

14 percent on the next \$50,000 or part thereof.

16 percent on the next \$50,000 or part thereof.

- 18 percent on the next \$100,000 or part thereof.
- 20 percent on the next \$100,000 or part thereof.
- 22 percent on the next \$100,000 or part thereof.
- 26 percent on the next \$500,000 or part thereof.
- 30 percent on the excess over \$1,000,000.

Sec. 2. Minnesota Statutes 1974, Section 291.05, is amended to read:

291.05 [EXEMPTIONS.] The following exemptions from the tax are hereby allowed:

(1) Any devise, bequest, gift, or transfer to or for the use of the United States of America or any state or any political subdivision thereof for public purposes exclusively, and any devise, bequest, gift, or transfer to or for the use of any corporation, fund, foundation, trust, or association operated within this state for religious, charitable, scientific, literary, education or public cemetery purposes exclusively, including the encouragement of art and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt. Any devise, bequest, gift, or transfer to an employee stock ownership trust as defined in section 290.01, subdivision 3 & 25, shall be exempt. Where the beneficiaries of a stock ownership trust include the transferor, his spouse, children, grandchildren, parents, siblings or their children, the amount of the exemption shall be reduced by the product of multiplying said amount by their percentage interest in the trust.

Any devise, bequest, gift, or transfer, not to exceed \$1,000 made to a clergyman, the proceeds of which are to be used for religious purposes or rites designated by the testator, shall be exempt. Any devise, bequest, gift, or transfer to or for the use of any corporation, fund, foundation, trust, or association operated for religious, charitable, scientific, literary, education, or public cemetery purposes exclusively, including the encouragement of art, and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or any individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt, if, at the date of the decedent's death, the laws of the state under the laws of which the transferee was organized or existing, either (1) did not impose a death tax of any character, in respect of property transferred to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of this state, or (2) contained a reciprocal provision under which transfers to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of another state were exempted from death taxes of every character if such other state allowed a similar

exemption to a similar corporation, fund, foundation, trust, or association, organized under the laws of such state.

(2) The homestead of a decedent, and the proceeds thereof if sold during administration, transferred to the spouse or to any minor or dependent child of the decedent, or to any minor or dependent legally adopted child of the decedent, shall be exempt to the extent of \$30,000 of the appraised value thereof.

Proceeds of any insurance policy issued by the United States and generally known as war risk insurance, United States government life insurance or national service life insurance payable upon the death of any person dying on or after June 24, 1950, shall be exempt.

Proceeds of life insurance issued pursuant to Public Law 89-214 and generally known as servicemen's group life insurance payable upon the death of any person on or after September 1, 1965, shall be exempt. Claims for refunds of inheritance tax paid on such proceeds shall be accepted by the commissioner if filed with him by December 31, 1970, or within 18 months after such payment, whichever is later.

Proceeds of payments from the United States railroad retirement fund; or from the United States as social security benefit, shall be exempt.

(3) (i) Property or any beneficial interest therein of the clear value of ~~\$20,000~~ \$60,000 transferred to the *widow surviving spouse*, shall be exempt.

(ii) Provided, where the amount of family maintenance allowed by the probate court is less than the maximum deductible under the provisions of section 291.10, or if no such maintenance is allowed, there shall be allowed to the ~~widow~~ *widow surviving spouse* an additional exemption equal in amount to the difference between the maximum deduction as provided by section 291.10 and the amount of such family maintenance allowed by the probate court. Further provided, where no probate proceedings are had is allowed, there shall be allowed to the *widow surviving spouse* an exemption equal to the maximum deduction allowed for family maintenance under the provisions of section 291.10.

(4) (i) Property or any beneficial interest therein of the clear value of ~~\$15,000~~ \$30,000 transferred to each minor or dependent child of the decedent, or any minor or dependent legally adopted child of the decedent, shall be exempt.

(ii) Provided, where the decedent left no *widow surviving spouse* entitled to the exemption allowed by clause (3) of this section the exemption allowed by subparagraph (ii) of clause (3) shall be allowed to beneficiaries entitled to exemption under the provisions of this clause (4). In no event shall the aggregate amount of exemption so allowed be in excess of the additional amount that would have been allowed under subparagraph (ii) of clause (3) had such paragraph been applicable.

(5) Property or any beneficial interest therein of the clear value of ~~\$6,000~~ \$12,000 transferred to ~~the husband~~, any adult child or other lineal descendant of the decedent, any adult legally adopted child, stepchild as defined in section 291.005, or any child to whom the decedent, for not less than ten years prior to his death, stood in the mutually acknowledged relation of a parent; provided, such mutually acknowledged relationship began at or before the child's fifteenth birthday, and was continuous for ten years thereafter, or any lineal issue of such adopted or mutually acknowledged child, or any lineal ancestor of the decedent, shall be exempt.

(6) Property or any beneficial interest therein of the clear value of ~~\$1,500~~ \$12,000 transferred to any brother or sister or a descendant of a brother or sister of the decedent, a wife or widow of a son, or the husband of a daughter of the decedent, shall be exempt.

(7) Property or any beneficial interest therein of the clear value of \$500 transferred to any person in any other degree of collateral consanguinity than is hereinbefore stated, or shall be a stranger in blood to the decedent, or shall be a body politic or corporate not exempt under this chapter, shall be exempt.

Sec. 3. Minnesota Statutes 1974, Section 292.05, Subdivision 1, is amended to read:

292.05 [SPECIFIC EXEMPTIONS.] Subdivision 1. [PARTICULAR DONEES.] The following specific exemptions shall be deducted in computing the amount of the gifts made to any single donee:

(1) \$10,000, if the donee is the *wife spouse* or minor or dependent child as defined in section 291.005, either by blood or by adoption, of the donor;

(2) \$5,000, if the donee is ~~the husband~~, an adult child, by blood or by adoption, other lineal descendant, a stepchild as defined in section 291.005, or any mutually acknowledged child of the donor, or lineal descendants of such adopted or mutually acknowledged children;

(3) \$3,000, if the donee is a lineal ancestor of the donor;

(4) \$1,000, if the donee is a class C donee, as specified in section 292.07;

(5) \$250, if the donee is a class D donee, as specified in section 292.07.

Sec. 4. Minnesota Statutes 1974, Section 292.07, Subdivision 3, is amended to read:

Subd. 3. [CREDITS.] A tax credit shall be allowed, in computing gift taxes due under this act, to the following donees in the following amounts:

*Wife Spouse* of the donor . . . \$300

Minor child, dependent child as defined in section 291.005, or any minor legally adopted child of the donor . . . \$75

**Husband,** An adult child, by blood or by adoption, other lineal descendant, a stepchild as defined in section 291.005, or any mutually acknowledged child of the donor, or lineal descendants of such adopted, dependent or mutually acknowledged children or of a stepchild . . . \$20

Lineal ancestors of the donor . . . \$60

Brother or sister of the donor, a descendant of such brother or sister, a ~~wife spouse~~ or ~~widow surviving spouse~~ of a ~~son child~~ of the donor, and the husband of a ~~daughter of the donor~~ . . . \$30

Brother or sister of the father or mother of the donor, and a descendant of a brother or sister of the father or mother of the donor . . . \$40

All others . . . \$20

The credit provided by this subdivision shall be allowed once only with respect to gifts by the donor to the same donee, and shall apply only to offset tax which would otherwise be due on gifts made on or after January 1, 1959.

Sec. 5. Minnesota Statutes 1974, Section 292.07, Subdivision 5, is amended to read:

Subd. 5. [CLASSES OF DONEES DEFINED.] Class A donees shall include only the ~~wife spouse~~ and minor or dependent child, as defined in section 291.005, of the donor, and a minor or dependent legally adopted child of the donor. Class B donees shall include only the ~~husband of the donor~~, adult child, stepchild as defined in section 291.005, or adult legally adopted child and the lineal issue of such stepchild or adopted child, lineal descendants and ancestors of the donor, any child of the donor to whom he or she has stood in the mutually acknowledged relation of parent for not less than ten years prior to the making of the gift if such relationship began at or before such child's fifteenth birthday and was continuous for ten years thereafter, and the lineal issue of such child. Class C donees shall include only a brother or sister of the donor, a descendant of such brother or sister, a ~~wife or widow of a son~~ and a ~~spouse or surviving spouse of a child~~ of the donor, and the ~~husband of a daughter of the donor~~. Class D donees shall include all donees other than those includible in the foregoing classes.

Sec. 6. [EFFECTIVE DATE.] *This article is effective for estates of decedents dying after July 1, 1975 and for gifts made after July 1, 1975.*

#### ARTICLE IV

Section 1. Minnesota Statutes 1974, Section 270.13, is amended to read:

270.13 [RECORD OF PROCEEDINGS CHANGING ASSESSED VALUATION; DUTIES OF COUNTY AUDITOR.] A record of all proceedings of the commissioner of revenue affecting any change in the assessed valuation of any property, as revised by the state board of equalization, shall be kept by the commissioner

of revenue and a copy thereof, duly certified, shall be mailed to the auditor of each county wherein such property is situated, ~~on or before October 15 each year~~. This record shall specify the amounts or amount, or both, added to or deducted from the valuation of the real property of each of the several towns and cities, and of the real property not in towns or cities, also the percent or amount of both, added to or deducted from the several classes of personal property in each of the towns and cities, and also the amount added to or deducted from the assessments of individuals, copartnerships, associations, or corporations. The county auditor shall add to or deduct from such tract or lot, or portion thereof, of any real property in his county the required percent or amount, or both, on the valuation thereof as it stood after equalized by the county board, adding in each case a fractional sum of 50 cents or more, and deducting in each case any fractional sum of less than 50 cents, so that no valuation of any separate tract or lot shall contain any fraction of a dollar; and add to, or deduct from, the several classes of personal property in his county the required percent or amount, or both, on the valuation thereof as it stood after equalized by the county board, adding or deducting in manner aforesaid any fractional sum so that no valuation of any separate class of personal property shall contain a fraction of a dollar, and add to or deduct from assessments of individuals, copartnerships, associations, or corporations, as they stood after equalization by the county board, the required amounts to agree with the assessments as returned by the commissioner of revenue.

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 270.16, Subdivision 2, is amended to read:

Subd. 2. When an assessor has failed to *properly* appraise ~~or has improperly appraised~~ at least one quarter of the parcels of property in a district or county ~~for two consecutive years as provided in section 273.01~~, the commissioner of revenue shall appoint a special assessor and deputy assessor as necessary and cause a reappraisal to be made of the property due for reassessment ~~pursuant to that section~~ *in accordance with law*.

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 273.012, Subdivision 3, is amended to read:

Subd. 3. The percentage of the excess of current tax over the base tax allowed as a credit shall be 100 percent for incomes up to and including \$10,000 and shall decline 5 percentage points for each additional \$500 of income or portion thereof over \$10,000. "Income" means income as defined in section 290A.03, subdivision 3 *of the qualified homeowner and spouse domiciled in the same homestead*.

Sec. 4. Minnesota Statutes 1974, Chapter 273, is amended by adding a section to read:

[273.132] [STATE PAID AGRICULTURAL CREDIT.] *The county auditor shall reduce the tax on all property receiving the homestead credit pursuant to Minnesota Statutes, Section 273.13, Subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of 12 mills on the property. The county auditor shall reduce the tax on all other agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes.*

*but not devoted to commercial purposes, by an amount that would be produced by applying a rate of ten mills on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue by November 15 of each year for verification.*

*Payment from the general fund shall be made according to the procedure provided in Minnesota Statutes, Section 273.13, Subdivision 15a, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in this section.*

Sec. 5. Minnesota Statutes, 1975 Supplement, Section 274.14, is amended to read:

274.14 [LENGTH OF SESSION; RECORD.] The county board of equalization or the special board of equalization appointed by it may continue in session and adjourn from time to time commencing on July 1 and ending on or before July 15, when it shall adjourn and no action taken subsequent to July 15 shall be valid *unless a longer session period is approved by the commissioner of revenue. The commissioner may extend the session period to July 31 but no action taken by the county board of review after the extended termination date shall be valid*. The county auditor shall keep an accurate record of the proceedings and orders of the board, which record shall be published in the same manner as other proceedings of county commissioners. A copy of such published record shall be transmitted to the commissioner of revenue, with the abstract of assessment required by section 274.16.

Sec. 6. Minnesota Statutes, 1975 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 receipts and tax statements~~, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. *The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property.* The county treasurer shall mail to taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than May 15; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. ~~Such statements shall also contain the amount of any reduction in real property taxes applicable to~~

homesteads as provided in section 273.13, subdivisions 6 and 7 and the reductions attributable to the agricultural mill rate differential provided in section 124.03, subdivision 3. Such The statement shall also include the base tax as defined in section 273.011, subdivision 4, for qualified property as defined in section 273.011 for which the credit provided for in section 273.012 is claimed. The statement shall show the amount attributable to section 124.03, subdivision 3 4 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit." The commissioner of revenue shall provide each county auditor with the names of those persons in the assessor's district who have filed and qualified for the property tax credit pursuant to sections 273.011 and 273.012 and shall inform the assessor of the base tax of those persons. If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists.

Sec. 7. Minnesota Statutes 1974, Section 276.05, is amended to read:

276.05 [ADDRESSES OF PAYER GIVEN ON TAX RECEIPTS.] *At his option the county treasurer may issue receipts showing payment of the tax except that upon the payment of any tax in currency of if the payer requests a receipt , the county treasurer shall give to the person paying a receipt therefor, showing the name and post-office address of the person, the amount and date of payment, the land, lot, or other property on which the tax was levied, according to its description on the tax list or in some other sufficient manner, and the year or years for which the tax was levied. If for current taxes on real estate, the receipt shall have written or stamped across its face, "taxes for" (giving the year in figures), or "first half of taxes for" (giving the year in figures), or "last half of taxes for" (giving the year in figures), as the case may be. If land has been sold for taxes either to a purchaser, or to the state, and the time for redemption from such sale has not expired, the receipt for such taxes shall have written or stamped across the face, "sold for taxes." The treasurer shall make duplicates of all receipts and return all such duplicates at the end of each month to the county auditor, who shall file and preserve them in his office, charging the treasurer with the amount thereof.*

Sec. 8. Minnesota Statutes 1974, Section 276.06, is amended to read:

276.06 [TAX STATEMENTS TO STATE APPORTIONMENT OF TAXES.] The treasurer of each county shall *may* cause to be printed, stamped, or written on the back of all current tax ~~receipts~~ *statements* , or on a separate sheet or card to be furnished with the ~~receipts~~ *statements* , a statement showing the number of mills of the current tax apportioned to the state, county, city, town, or school district.

Sec. 9. Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor and personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes, as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

*(v) The Internal Revenue Code of 1954, as amended through December 31, 1975, shall be in effect for taxable years beginning after December 31, 1975.*

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from Federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) 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;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974 1975 , to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974 1975 , that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101.

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20;

(5) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(8) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974 1975 , 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 ; and

(10) *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 .*

(c) Modifications affecting shareholders of electing small business

corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distribution in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and

form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 10. Minnesota Statutes, 1975 Supplement, Section 290.012, Subdivision 4, is amended to read:

Subd. 4. "Income" means the sum of (a) gross income as defined in section 290.01, subdivision 20, (b) net income from sources outside the state, (c) alimony, (d) support money, and (e) relief, including relief granted under unemployment compensation, (f) the gross amount of any pension or annuity, including railroad retirement benefits, all payments received under the federal social security act, and veterans disability pensions, (g) nontaxable interest received from the state or federal governments or any of their instrumentalities, (h) the gross amount of "less of time" insurance and (i) cash public assistance and relief, not including relief granted under sections 290.0601 to 290.0618. It does not include gifts from nongovernmental sources, or surplus food or other relief in kind supplied by a governmental agent income of the claimant and spouse as defined in section 290A.03, subdivision 3.

Sec. 11. Minnesota Statutes, 1974, Section 290.066, Subdivision 1, is amended to read:

290.066 [SPECIAL PROPERTY TAX CREDIT.] Subdivision 1. A person entitled to an amount equal to the qualified property tax credit allowed by section 273.012 shall file a claim with the department of revenue on or before *June 30 the date provided in chapter 290A for filing a claim for property tax relief*. The department of revenue shall make available suitable forms with instructions for the claimant, including a form which may be included with or as a part of the individual income tax blank. The claim shall be in such form as the commissioner may prescribe.

Sec. 12. Minnesota Statutes, 1975 Supplement, Section 290.21, Subdivision 4, is amended to read:

Subd. 4. [DIVIDEND CREDIT.] (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 credit shall be allowed only in the proportion that the recipient corporation's taxable net income that is assignable or allocable to this state bears to the entire net income of the corporation. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a credit 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 credit 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 the gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as credit 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 credit has been received from income arising out of business done in this state.

(c) *The dividend credit 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.*

Sec. 13. Minnesota Statutes, 1975 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 and 7, but after deductions made pursuant to ~~section sections~~ sections 124.03, subdivision 3, and 273.135, in 1976 or any calendar year thereafter. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 20 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more

persons as joint tenants or tenants in common and one or more is not a claimant or spouse of a claimant, "property taxes payable" is that part of the property taxes payable on the homestead as reflects the percentage of ownership of the claimant and spouse. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

When a claimant and his spouse own their homestead part of the calendar year and rent it or a different homestead for part of the same year "property taxes payable" means only taxes payable on the homestead which was owned and occupied as such by claimant and spouse on January 2 of the year in which the tax is payable, multiplied by the percentage of 12 months that the property was owned and occupied by the household as its homestead during the preceding year.

Sec. 14. Minnesota Statutes, 1975 Supplement, Section 290A.06, is amended to read:

290A.06 [FILING TIME LIMIT, LATE FILING.] Any claim for property taxes payable shall be filed with the department of revenue on or before August 31 of the year in which the property taxes are due and payable; except that for homesteads which are mobile homes the claim shall be filed on or before October 31 of the year in which the property taxes are due and payable. The commissioner may extend the time for filing these claims for a period not to exceed six months in the case of sickness, absence, or other disability, or when in his judgment other good cause exists.

A claim filed after the original or extended due date shall be allowed, but the amount of credit shall be reduced by five percent of the amount otherwise allowable, plus an additional five percent for each month of delinquency, not exceeding a total reduction of 25 percent. In any event no claim shall be allowed if the claim is filed two years after the original due date for filing the claim.

Sec. 15. Minnesota Statutes, 1975 Supplement, Section 290A.07, Subdivision 1, is amended to read:

290A.07 [TIME FOR PAYMENT.] Subdivision 1. Allowable claims filed pursuant to the provisions of Laws 1975, Chapter 437, Article 1 shall be paid by the commissioner from the general fund, and an amount sufficient to make the payments is appropriated annually from the general fund to the commissioner of revenue.

Sec. 16. Minnesota Statutes, 1975 Supplement, Section 290A.07, Subdivision 2, is amended to read:

Subd. 2. A claimant who is a renter or who had attained the age of 65 or had been disabled prior to June 1 of the year following the year for which the taxes were levied or in which the rent was paid shall receive full payment no later than 60 days after receipt of the application or may elect to take as a credit against his income tax the full amount. *This option shall not be construed to extend the due date for filing the income tax return of the claimant.*

Sec. 17. Minnesota Statutes, 1975 Supplement, Section 290A.14, is amended to read:

290A.14 [PROPERTY TAX STATEMENT.] The county treasurer shall prepare and send a sufficient number of copies of the property tax statement to the owner, and to his escrow agent if the taxes are paid via an escrow account, to enable him to comply with the filing requirements of Laws 1975, Chapter 437, Article 1 and to retain one copy for his records. The property tax statement, in a form prescribed by the commissioner, shall indicate the manner in which the claimant may claim relief from the state; ~~the amount of delinquent property taxes on the property in the preceding year,~~ and the amount of the tax for which the applicant may claim relief. *The statement shall also indicate if there are delinquent property taxes on the property in the preceding year.*

Sec. 18. Laws 1975, Chapter 349, Section 32, is amended to read:

Sec. 32. Sections 9, 13, 17 and 26 are effective the day following final enactment. *Sections 18, 19, and 20 are effective the day following final enactment of this article.* The remainder of the act is effective for all taxable years beginning after December 31, 1974.

Sec. 19. Minnesota Statutes 1974, Section 473F.06, is amended to read:

473F.06 [INCREASE IN ASSESSED VALUATION.] On or before November 20 of 1972 and each subsequent year, the auditor of each county in the area shall determine the amount, if any, by which the assessed valuation *determined in that the preceding year pursuant to section 473F.05,* of commercial-industrial property subject to taxation within each municipality in his county exceeds the assessed valuation in 1971 of commercial-industrial property subject to taxation within that municipality. If a municipality is located in two or more counties within the area, the auditors of those counties shall certify the data required by sections 473F.04 and 473F.05 to the county auditor who is responsible under other provisions of law for allocating the levies of that municipality between or among the affected counties. That county auditor shall determine the amount of the net excess, if any, for the municipality under this section, and certify that amount under section 473F.07. Notwithstanding any other provision of sections 473F.01 to 473F.13 to the contrary, in the case of a municipality which is designated on July 24, 1971, as a redevelopment area pursuant to Section 401(a) (4) of the Public Works and Economic Development Act of 1965, P.L. 89-136, the increase in its assessed valuation of commercial-industrial property for purposes of this section shall be determined in each year subsequent to the termination of such designation by using as a base the assessed valuation of commercial-industrial property in that municipality in the year following that in which such designation is terminated, rather than the assessed valuation of such property in 1971.

Sec. 20. Minnesota Statutes 1974, Section 473F.08, Subdivision 2, is amended to read:

Subd. 2. The taxable value of a governmental unit is its assessed valuation, as determined in accordance with other provisions of law, subject to the following adjustments:

(a) There shall be subtracted from its assessed valuation, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to 40 percent of the amount certified in that year pursuant to section 473F.06 in respect to that municipality as the total *preceding year's* assessed valuation of commercial-industrial property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total *preceding year's* assessed valuation of commercial-industrial property within the municipality;

(b) There shall be added to its assessed valuation, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to the area-wide base for the year attributable to that municipality as the total *preceding year's* assessed valuation of residential property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total *preceding year's* assessed valuation of residential property of the municipality.

Sec. 21. Minnesota Statutes 1974, Section 473F.08, Subdivision 3, is amended to read:

Subd. 3. On or before November 30 of 1972 and each subsequent year, the county auditor shall apportion the levy of each governmental unit in his county in the manner prescribed by this subdivision. He shall:

(a) Determine ~~that portion of the levy which bears the same proportion to the total levy as the amount set forth in subdivision 2, clause (b), bears to the taxable value of the governmental unit~~ *the area-wide portion of the levy for each governmental unit by multiplying the nonagricultural mill rate of the governmental unit for the preceding levy year times the distribution value set forth in section 473F.08, subdivision 2, clause (b) ; and*

(b) Determine ~~the excess of the levy over that portion of the levy determined pursuant to clause (a)~~ *the local portion of the current year's levy by subtracting the resulting amount from clause (a) from the governmental unit's current year's total levy .*

Sec. 22. Laws 1976, Chapter 5, Section 2, Subdivision 1, is amended to read:

Subdivision 1. [DIRECTOR OF DIVISION OF LIQUOR CONTROL.] No employee of the department of public safety or the department of revenue having any responsibility for the administration or enforcement of chapter 340 shall have a direct or indirect interest in the manufacture, transportation or sale of intoxicating liquor or any malt or vinous beverages, intoxicating, non-intoxicating, or commercial or industrial alcohol. The commissioner shall remove an employee of the department in the

unclassified civil service for any violation of sections 340.02, 340.031 to 340.036, 340.11 to 340.19, 340.355 to 340.357, 340.402 to 340.408, 340.44 to 340.493, 340.53 to 340.56, 340.601 to 340.62, or 340.70 to 340.983. Violation of the preceding sections by a classified employee of the department shall be grounds for removal of that employee pursuant to section 43.24.

Sec. 23. Minnesota Statutes 1974, Section 340.44, as amended by Laws 1976, Chapter 5, Section 3, is amended to read:

340.44 [DEFINITIONS.] For the purposes of sections 340.44 to 340.56:

(1) "Brewer" means any person who manufactures malt liquor containing more than one half of one percent of alcohol by volume;

(2) "Wholesaler" means any person who sells such malt liquor and intoxicating liquors to retail dealers;

(3) "Retailer" means any person who sells such malt liquor and intoxicating liquors to a consumer;

(4) "Commissioner" means the commissioner of public safety *except where otherwise stated* ;

(5) "Fermented malt beverages" means any fermented malt liquor potable as a beverage containing more than one half of one percent of alcohol by volume.

Sec. 24. Minnesota Statutes 1974, Section 340.51, is amended to read:

340.51 [ENFORCEMENT; EMPLOYEES; RECORD OF SALE OF STAMPS; INSPECTION OF BOOKS AND PREMISES.] The commissioner of *public safety and the commissioner of revenue* shall enforce and administer the provisions of sections 340.44 to 340.56 and employ and fix the compensation of any employees necessary for the performance of *his their* duties thereunder.

The commissioner of *revenue* shall keep a suitable record of the sale of all stamps which shall show the dates of the sale thereof and the names of the purchasers. The commissioner of *revenue* may refund to any purchaser the money paid for any stamps returned unfit for use or otherwise unused, and prescribe the method of proof required for obtaining such refund.

The commissioner of *public safety or the commissioner of revenue* , or *his their* duly authorized employees, may, at all reasonable hours, enter in and upon any licensed premises, and examine the books, papers, and records of any brewer, manufacturer, wholesaler, or retailer for the purpose of inspecting the same and determining whether the tax imposed by sections 340.44 to 340.56 has been fully paid, and shall have the power to inspect and examine any premises where fermented malt beverages are manufactured, sold, exposed for sale, possessed, or stored for the purpose of determining whether the provisions of these sections are being complied with.

Sec. 25. Minnesota Statutes 1974, Section 340.55, is amended to read:

340.55 [FELONIES.] Every manufacturer or wholesaler and any one licensed to sell intoxicating liquor, who evades or attempts to evade, a payment of the tax thereon or fraudulently neglects or refuses to keep full and complete accounts in the book or books of accounts, or who refuses or neglects to make true and exact entries and reports of the same in the manner as required by the rules and regulations prescribed by the commissioner of public safety and the commissioner of revenue, or in any manner required by law, or who in any manner conspires to violate any provision of sections 340.44 to 340.56, or fails to do or cause to be done any of the things required by law to be done by such person, or who intentionally makes false entry in the book or in any statement, pertaining to his business, as contemplated in sections 340.44 to 340.56, or any one who shall refill or cause to be refilled a bottle or container which previously had contained intoxicating liquor, for the purpose of evading the payment of the tax thereon, or any person who in any manner sells intoxicating liquor without the proper Minnesota excise tax having been paid thereon, and who thereby evades, avoids and defrauds the state of the payment of the tax upon such intoxicating liquor shall be guilty of a felony.

Sec. 26. *In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the words "Internal Revenue Code of 1954, as amended through December 31, 1975" for the words "Internal Revenue Code of 1954, as amended through December 31, 1974" wherever such words occur in chapter 290, except section 290.01, subdivision 20.*

Sec. 27. [APPROPRIATION.] *There is appropriated from the general fund of the state treasury to the commissioner of revenue the sum of \$400,000 for the fiscal year ending June 30, 1977, to administer a computer verification program and to pay related costs incurred to audit claims filed pursuant to the Minnesota Income-Adjusted Homestead Credit Act, Minnesota Statutes, Chapter 290A.*

Sec. 28. [REPEALER.] *Minnesota Statutes, 1975 Supplement, Section 124.03 is repealed.*

Sec. 29. [EFFECTIVE DATE.] *Sections 1, 2, 4, 5, 7, 8, 11, and 15 to 18 and 22 to 28 are effective the day following final enactment. Sections 3, 9, 10, and 13 are effective for taxable years beginning after December 31, 1975. Section 6 is effective for the 1977 assessment year and subsequent years. Section 12 is a declaration of law existing prior to enactment of Laws 1975, Chapter 349, Section 17, and is not a change in such pre-existing law. Section 14 is effective for claims to be filed in 1977 and subsequent years. Sections 19, 20 and 21 are effective for taxes levied in 1976 and payable in 1977.*

## ARTICLE V

Section 1. Minnesota Statutes 1974, Section 298.282, Subdivision 2, is amended to read:

Subd. 2. Each year commencing in 1972 1976 , and the following final determination of the amount of taxes payable under section 298.241, the commissioner of revenue shall determine the amount in the taconite municipal aid account as of July 1 of such year and the amount to be distributed to each qualifying municipality during such year. The amount to be distributed to each qualifying municipality shall be determined by dividing the total amount in said account , *after a reduction equal to the amount of the distribution in subdivision 5*, as of July 1 by the total population according to the latest federal census of all qualifying municipalities to determine the per capita distributive share for such year and by multiplying the per capita distributive share by the population of such municipality. Upon completion of such determination, the commissioner of revenue shall certify to the chief clerical officer of each qualifying municipality the amount which will be distributed to such municipality from the taconite municipal aid account that year.

Sec. 2. Minnesota Statutes 1974, Section 298.282, is amended by adding a subdivision to read:

*Subd. 5. Commencing in 1976, the commissioner of finance, on the basis of determinations made by the commissioner of revenue, shall annually on September 15 make a payment from the taconite municipal aid fund to cities and towns for the purpose of replacing the revenue loss to them resulting from Laws 1975, Chapter 437, Article XI, Section 7. The amount of aid to be paid annually to each city and town is the amount they were entitled to receive for 1975 under the provisions of Minnesota Statutes 1974, Section 298.32.*

Sec. 3. Minnesota Statutes 1974, Section 298.282, is amended by adding a subdivision to read:

*Subd. 6. No city, town, county, or school district shall be required to repay any aid received pursuant to Minnesota Statutes 1974, Section 298.32, because the amount received exceeds the five cents per ton aid limitation contained therein.*

## ARTICLE VI

Section 1. Minnesota Statutes 1974, Section 473F.02, Subdivision 7, is amended to read:

Subd. 7. "Population" means the most recent estimate of the population of a municipality made by the metropolitan council and filed with the commissioner of ~~finance~~ *revenue* . The council shall annually estimate the population of each municipality as of a date which it determines and, in the case of a municipality which is located partly within and partly without the area, the proportion of the total which resides within the area, and shall promptly thereafter file its estimates with the commissioner of *finance revenue* .

Sec. 2. Minnesota Statutes 1974, Section 473F.02, Subdivision 11, is amended to read:

Subd. 11. "Locally raised revenues" means the total money receipts of a municipality, including those of its constituent agencies,

boards, commissions, and other bodies, from all sources and for all purposes, reduced by the expenses, including a reasonable allowance for depreciation of capital assets, incurred in the operation by the municipality of facilities for the production or sale of electricity, water, gas, heat, or telephone service, except that locally raised revenues shall not include:

(a) Revenues derived from the operation of municipal liquor stores;

(b) Public grants, as defined in subdivision 17, except that for purposes of this subdivision the amount prescribed by clause (2) of subdivision 17 shall be multiplied by 10;

(c) Grants or gifts from private persons, unless made by an entity exempt from ad valorem taxation in an amount which does not exceed the ad valorem tax which would have been payable by the entity during that year for the benefit of the recipient if the exemption did not exist, and

(d) The proceeds of any indebtedness incurred by the municipality.

The state auditor shall certify the locally raised revenues of each municipality for each year to the commissioner of ~~finance~~ *revenue* not later than September 1 of the subsequent year. If the fiscal year of a municipality ends on a date other than December 31, the certification shall relate to the fiscal year which ended in the calendar year preceding that in which the certificate is required to be made, and references in sections 473F.01 to 473F.13 to the locally raised revenues of a municipality in a specified year shall be deemed to refer to the fiscal year ended in the specified calendar year.

Sec. 3. Minnesota Statutes 1974, Section 473F.02, Subdivision 12, is amended to read:

Subd. 12. "Market value" of real property within a municipality means the "actual market value" of real property within the municipality, determined in the manner and with respect to the property described for school districts in section 475.53, subdivision 4, except that no adjustment shall be made for property on which taxes are paid into the state treasury under gross earnings tax laws applicable to common carrier railroads. For purposes of sections 473F.01 to 473F.13, the equalization aid review committee shall annually make determinations and reports with respect to each municipality which are comparable to those it makes for school districts under section 124.212, subdivision 10, in the same manner and at the same times as are prescribed by the subdivision. ~~The auditor of each county and the commissioner of revenue shall annually determine and certify to the commissioner of finance~~, for each municipality, information comparable to that required of each of them by section 475.53, subdivision 4, for school districts, as soon as practicable after it becomes available. The commissioner of ~~finance~~ *revenue* shall then compute the market value of property within each municipality.

Sec. 4. Minnesota Statutes 1974, Section 473F.08, Subdivision 2, is amended to read:

Subd. 2. The taxable value of a governmental unit is its assessed valuation, as determined in accordance with other provisions of law, subject to the following adjustments:

(a) There shall be subtracted from its assessed valuation, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to 40 percent of the amount certified in that year pursuant to section 473F.06 in respect to that municipality as the total assessed valuation of commercial-industrial property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total assessed valuation of commercial-industrial property within the municipality;

(b) ~~There shall be added to its assessed valuation,~~ In each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount *shall be determined* which bears the same proportion to the area-wide base for the year attributable to that municipality as the total assessed valuation of residential property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total assessed valuation of residential property of the municipality. *If the governmental unit is located wholly within the area, the amount as determined in accordance with clause (b) shall be added to that governmental unit's assessed valuation. However, if the governmental unit is located partly within and partly without the area, an amount equal to the assessed value amount which was determined in accordance with clause (b) for that governmental unit for the year immediately preceding the current levy year shall be added to that governmental unit's assessed valuation.*

Sec. 5. Minnesota Statutes 1974, Section 473F.08, Subdivision 7, is amended to read:

Subd. 7. On or before January 1 of 1973 ~~and each subsequent~~ year, the ~~administrative auditor~~ *commissioner of revenue* shall certify to the state treasurer the amount of that portion of the levy made by each governmental unit set forth in subdivision 3, clause (a). Each county treasurer shall remit ~~all 50 percent of the total real and personal property tax payments~~ *levy* computed pursuant to subdivision 5 to the state treasurer not later than 20 days before the times prescribed by chapter 276, for the apportionment and distribution of tax revenues by county treasurers *of the May settlement and the remaining one half shall be remitted on or before December 31*. The state treasurer shall deposit ~~such~~ *these* payments to the credit of the area-wide tax account, which is hereby created. Marginal expenses incurred by the state treasurer under this section, and all refunds of tax receipts paid into the account, shall be paid from the account, and all interest earned on moneys in the account shall be credited to the account, and the distributions under subdivision 8 shall be adjusted proportionately to reflect expense payments and interest income and reduced to reflect the payment of each refund in amounts proportionate to the distributions received in the year the tax was paid.

Sec. 6. Minnesota Statutes 1974, Section 473F.08, Subdivision 8, is amended to read:

Subd. 8. The state treasurer shall apportion and distribute amounts received by him pursuant to subdivision 7 to the county treasurer having jurisdiction of each governmental unit entitled thereto as shown by the certification to him in accordance with subdivision 7. The apportionment and distribution shall be made in the manner and not later than ten days before the times prescribed by chapter 276, for the apportionment and distribution of tax revenues by county treasurers *after the receipt of the payments from the county treasurers*. Each county treasurer shall include the amounts thus received in his distributions pursuant to chapter 276. Amounts necessary for distributions, refunds and payments of administrative expenses under sections 473F.01 to 473F.13 are hereby appropriated.

Sec. 7. Minnesota Statutes 1974, Section 473F.12, Subdivision 2, is amended to read:

Subd. 2. On September 1 of 1971 and each subsequent year, the commissioner of *finance revenue* shall estimate the total amount available for distribution to municipalities from the municipal equity account during the subsequent calendar year. The amount so estimated shall be the sum of the estimated balance in the account on November 15 of the year in which the estimate is made, the estimated deposits to the credit of the account thereafter through November 15 of the subsequent year, and interest earned by the fund over the 12 month period. The amount to be distributed to each qualifying municipality shall be the amount determined in accordance with subdivision 3, except that (a) if the sum of the amounts so determined differs from the total amount estimated to be available for distribution, the amount of the distribution to each municipality shall be adjusted proportionately, and (b) the amount to be distributed to each qualifying municipality, after any adjustment prescribed by clause (a), shall not be less than \$9, or, if the total amount estimated to be available for distribution is less than \$40 millions, that proportion of \$9 which equals the proportion which the total amount estimated to be available for distribution bears to \$40 millions, multiplied by the population of the municipality residing within the area as determined in the year preceding that in which the estimate is made. To the extent that the distributions to any municipality or group of municipalities are adjusted pursuant to clause (b), the distributions to all other municipalities shall be adjusted proportionately in amounts sufficient to make the total of the distributions to all municipalities equal the total amount estimated to be available for distribution. The commissioner of *finance revenue* shall notify the governing body of each qualifying municipality of the amount so determined with respect to that municipality before September 20.

Sec. 8. Minnesota Statutes 1974, Section 473F.12, Subdivision 4, is amended to read:

Subd. 4. On or before each of the dates June 15 and November 15 of 1972 and each subsequent year, the commissioner of finance shall issue his warrant in favor of the treasurer of each

qualifying municipality in an amount equal to one half the amount determined by the commissioner of ~~finance~~ *revenue* to be due the municipality in that year under the terms of subdivision 2. There is hereby appropriated from the municipal equity account, to each municipality entitled to payments authorized by this section, sufficient moneys to make such payments.

Sec. 9. Minnesota Statutes 1974, Section 473F.13, Subdivision 1, is amended to read:

473F.13 [CHANGE IN STATUS OF MUNICIPALITY.] Subdivision 1. If a qualifying municipality is dissolved, is consolidated with all or part of another municipality, annexes territory, has a portion of its territory detached from it, or is newly incorporated, the secretary of state shall immediately certify that fact to the commissioner of ~~finance~~ *revenue*. The secretary of state shall also certify to the commissioner of ~~finance~~ *revenue* the current population of the new, enlarged, or successor municipality, if determined by the municipal commission incident to consolidation, annexation, or incorporation proceedings. The population so certified shall govern for purposes of sections 473F.01 to 473F.13 until the metropolitan council files its first population estimate as of a later date with the commissioner of ~~finance~~ *revenue*. If an annexation of unincorporated land occurs without proceedings before the municipal commission, the population of the annexing municipality as previously determined shall continue to govern for purposes of sections 473F.01 to 473F.13 until the metropolitan council files its first population estimate as of a later date with the commissioner of ~~finance~~ *revenue*.

Sec. 10. Minnesota Statutes 1974, Section 473F.13, Subdivision 2, is amended to read:

Subd. 2. The amount of each distribution from the municipal equity account shall reflect the status of municipalities as certified to the commissioner of ~~finance~~ *revenue* on September 1 of the year preceding that in which the distribution is made. If the status of a municipality thereafter changes before the distribution is made, the distribution shall be made to the successor municipality or municipalities. If there are two or more successors, the distribution shall be apportioned among them in accordance with section 414.067.

Sec. 11. *In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the words "commissioner of revenue" for the words "administrative auditor" wherever they appear in chapter 473F.*

Sec. 12. *Minnesota Statutes 1974, Sections 473F.02, Subdivision 6; 473F.03; 473F.07, Subdivision 2; and 473F.08, Subdivision 9 are repealed.*

Sec. 13. *This article is effective on the day following final enactment.*

## ARTICLE VII

Section 1. [REFUNDS TO BE GIVEN CERTAIN TAXPAY-

ERS.] *Each individual who files an individual income tax return pursuant to Minnesota Statutes, Chapter 290, for a taxable year beginning in 1975, who is hereinafter referred to as a taxpayer, may be eligible to receive the refunds made pursuant to the provisions of this article.*

Sec. 2. [REFUND FOR INDIVIDUALS.] *The taxpayer shall receive a refund in the amount found by dividing by 21 the credit for which he was eligible for his first taxable year beginning in 1975 pursuant to Minnesota Statutes, Section 290.06, Subdivision 3c, Clauses (1), (2), (3), (6), and (7), and multiplying that figure by 12.*

Sec. 3. [REFUND OF 1975 INDIVIDUAL INCOME TAXES.] Subdivision 1. [GENERAL RULE.] *Except as otherwise provided in this section, the taxpayer shall receive a refund in an amount equal to ten percent of his tax liability for his first taxable year beginning in 1975 after subtraction of other credits due him pursuant to the provisions of Minnesota Statutes, Sections 290.06 and 290.081.*

Subd. 2. [LIMITATION BASED ON GROSS INCOME.] *For a taxpayer who has a gross income as defined in Minnesota Statutes, Section 290.01, Subdivision 20, in excess of \$20,000, the refund made pursuant to this section shall be limited as follows:*

(a) *In the case of a single taxpayer, or married taxpayers filing a joint return or filing separately on a combined return, in which case both spouses shall be treated as one taxpayer, the amount by which ten percent of his tax liability exceeds \$100 shall be reduced, but not below zero, by an amount which bears the same ratio to that excess as his gross income for that taxable year in excess of \$20,000 bears to \$10,000.*

(b) *In the case of a married individual filing a separate return, the amount by which ten percent of his tax liability exceeds \$50 shall be reduced, but not below zero, by an amount which bears the same ratio to that excess as his gross income for that taxable year in excess of \$10,000 bears to \$5,000.*

Sec. 4. [PAYMENT OF REFUNDS.] Subdivision 1. [LIMIT ON TOTAL REFUND.] *In no event shall the sum of the refund made pursuant to section 2 plus that made pursuant to section 3 exceed the liability of the taxpayer for the taxable year for which he receives the refunds.*

Subd. 2. [PAYMENT BY COMMISSIONER.] *The commissioner of revenue shall calculate and pay the refunds authorized by this article. The amount of any refund payable under this article may be applied by the commissioner of revenue against any liability for tax owed to the department of revenue by the taxpayer or spouse of the taxpayer, and shall pay the balance due, if any, to the taxpayer.*

Subd. 2a. [ERRONEOUS REFUNDS; CLAIMS.] *A taxpayer who receives no refund from the commissioner pursuant to this article, or who believes that he is entitled to the refund of a sum*

*greater than that which he has been paid, may file a claim in writing with the commissioner of revenue stating the amount to which he believes he is entitled. Any orders denying such claims in whole or in part shall be appealable to the Minnesota tax court as provided in Minnesota Statutes, Section 271.06.*

*Subd. 2b. [STATUTE OF LIMITATIONS.] No refund shall be made under this article on any return which is filed more than six months after the due date or extended due date for the filing of the return as provided in Minnesota Statutes, Section 290.42, and claims for refunds under this article shall be subject to the provisions of Minnesota Statutes, Section 290.50.*

*Subd. 3. [INTEREST.] No amount of interest shall be paid to any taxpayer on the refunds paid by the commissioner of revenue pursuant to this article.*

*Subd. 4. [PAYMENT NOT REQUIRED.] When the sum of the refunds for which the taxpayer is eligible pursuant to this article is less than \$1 the commissioner of revenue shall not be required to make the refunds.*

*Subd. 5. [NONTAXABILITY OF REFUNDS.] Money refunded pursuant to this article shall not be considered as income for purposes of Minnesota Statutes, Chapters 290 and 290A and shall not be considered as income in any program of public assistance or public welfare.*

*Sec. 5. [INTEREST AND PENALTIES ON ORIGINAL LIABILITY.] Interest and penalties on amounts due from the taxpayer pursuant to Minnesota Statutes, Chapter 290, for his first taxable year beginning in 1975 shall be imposed on the liability of the taxpayer for that year as calculated without regard to the refunds made pursuant to this article.*

*Sec. 6. [APPROPRIATION.] There is appropriated from the general fund in the state treasury to the commissioner of revenue a sum sufficient for the administration of sections 1 to 5 and to make the refunds authorized by sections 1 to 5.*

*Sec. 7. [EFFECTIVE DATE.] This article is effective the day following final enactment.*

## ARTICLE VIII

*Section 1. [DEFINITION; SOLAR ENERGY SYSTEM.] For purposes of section 2 and Minnesota Statutes, Sections 272.02, Subdivision 1; 290.06, Subdivisions 9 and 9a; and 297A.25, Subdivision 1, the term "solar energy system" means a set of devices having as its primary purpose to collect solar energy and convert and store it for useful purposes including heating and cooling buildings or other energy-using processes, or to produce generated power by means of any combination of collecting, transferring, or converting solar-generated energy.*

*Sec. 2. [STANDARDS OF PERFORMANCE.] The building code division of the department of administration in consultation with the energy agency shall promulgate by December 31, 1976,*

*pursuant to Minnesota Statutes, Chapter 15, the administrative procedures act, quality and performance standards which are in reasonable conformance with the Interim Performance Criteria for Solar Heating and Combined Heating/Cooling Systems and Dwellings, National Bureau of Standards, January 1, 1975; and the Interim Performance Criteria for Commercial Solar Heating and Combined Heating/Cooling Systems and Facilities, National Aeronautics and Space Administration, February 28, 1975 to insure that within the existing state of development, solar energy systems as defined in section 1 which are sold or installed within the state are effective and represent a high standard of quality of material, workmanship, design, and performance. The department of administration in consultation with the energy agency shall modify existing standards and promulgate new standards subsequent to December 31, 1976 as new technology and materials become available, or as standards are revised by the federal government.*

*Manufacturers or retailers of solar energy systems shall disclose to each bona fide potential purchaser of a system the extent to which the system meets or exceeds each quality standard.*

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 272.02, Subdivision 1, is amended to read:

272.02 [EXEMPT PROPERTY.] Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity;
- (7) All public property exclusively used for any public purpose;
- (8) All natural cheese held in storage for aging by the original Minnesota manufacturer;
- (9) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct such exemption from the total valuation of such property as equalized by the revenue commissioner assessed to such household, and extend the levy of taxes upon the remainder only. The term "household" as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of

the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in those cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds and certificates of indebtedness hereafter issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state, or any county or city thereof, shall hereafter be exempt from taxation; provided, that nothing herein contained shall be construed as exempting such bonds from the payment of a tax thereon, as provided for by section 291.01, when any of such bonds constitute, in whole or in part, any inheritance or bequest, taken or received by any person or corporation.

(10) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(11) The taxpayer shall be exempted with respect to, all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1 (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures.

(12) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by Extra Session Laws 1967, Chapter 32.

(13) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(14) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(15) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the

commissioner of revenue. Any such equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit, *stipulation* or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting such property from taxation. Any such equipment or device shall continue to be exempt from taxation as long as the permit, *stipulation* or order issued by the Minnesota Pollution Control Agency remains in effect.

*(16) The part of the value of real and personal property equipped with an energy supply or use system which includes a solar energy device as defined in section 1, that exceeds the value of the property if it were equipped with a conventional energy supply or use system, if the property is not used to provide energy for sale.*

Sec. 4. Minnesota Statutes 1974, Section 290.06, Subdivision 9, is amended to read:

Subd. 9. [POLLUTION CONTROL EQUIPMENT, CREDIT.] (a) A credit of *five ten* percent of the net cost of equipment included in section 290.09, subdivision 7, paragraph (A) (a) that is installed and operated within Minnesota exclusively to prevent pollution of air, water, or land in accordance with engineering principles approved by the Minnesota pollution control agency, *or of the net cost of an individual sewage treatment system constructed prior to January 1, 1978, or for use by a structure devoted to temporary and seasonal residential occupancy for recreational purposes, provided that the individual sewage treatment system was constructed as a result of state or local laws, ordinances or regulations relating to water pollution, or of the net cost of a solar energy device as defined in section 1,* may be deducted from the tax due under chapter 290 in the first year in which the property is installed, or for which a depreciation deduction is allowed for the ~~equipment~~ property or device. The credit allowed by this subdivision shall not exceed so much of the liability for tax for the taxable year as does not exceed ~~\$50,000~~ \$100,000. *The credit shall apply only if the property or device meets or exceeds standards, regulations, or criteria prescribed by the Minnesota pollution control agency and, where applicable, if it is installed or operated in accordance with a permit or order issued by the agency, or in the case of a solar energy device, if it meets standards promulgated by the building code division of the department of administration pursuant to section 2.*

(b) If the amount of the credit determined under (a) for any taxable year for which a depreciation deduction is allowed exceeds the limitation provided by (a) for such taxable year (hereinafter in this subdivision referred to as the "unused credit year"), such excess shall be ;

~~(1) a credit carryback to each of the three taxable years preceding the unused credit year, and~~

~~(2) a credit carryover to each of the seven taxable years following the unused credit year.~~

The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the ~~ten seven~~ taxable years to which ~~(by reason of (1) and (2))~~ such credit may be carried and then to each of the other ~~nine six~~ taxable years; provided, however, the maximum credit allowable in any one taxable year under this subdivision (including the credit allowable under (a) and the ~~carryback or carryforward~~ allowable under this paragraph) shall in no event exceed ~~\$50,000~~ \$100,000 .

(c) This subdivision shall apply to property acquired in taxable years beginning on or after January 1, ~~1969~~ 1976, to solar devices installed after December 31, 1976, and to individual sewage treatment systems installed after April 1, 1974 .

Sec. 5. Minnesota Statutes 1974, Section 290.06, Subdivision 9a, is amended to read:

Subd. 9a. [FEEDLOT POLLUTION CONTROL EQUIPMENT.] A credit of 10 percent of the net cost of pollution control and abatement equipment, including but not limited to, lagoons, aerating equipment, 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 chapter 290 in the taxable year in which such equipment is purchased; provided that no deduction shall be taken for any portion of the cost of the same equipment pursuant to subdivision 9. The credits provided for in this subdivision and in subdivision 9 shall terminate on December 31, ~~1976~~ 1983 .

*If the amount of the deduction 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 back to the three taxable years preceding the year of purchase and carried forward to the seven taxable years following the year of purchase.*

Sec. 6. Minnesota Statutes 1974, Section 297A.25, Subdivision 1, is amended to read:

297A.25 [EXEMPTIONS.] Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment of prevention of illness or disease in human beings and products consumed by humans for the preservation of

health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (Storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics,

petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertis-

ing. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of cigarettes.

(s) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(t) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(u) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(v) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(w) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

*(x) After January 1, 1977, the gross receipts from the sale of and the storage, use or other consumption of solar energy devices as defined in section 1, not bought or used to provide energy for sale.*

Sec. 7. [EFFECTIVE DATE.] Sections 1, 2, 4, 5 and 6 are effective the day after final enactment. Section 3 is effective for taxes levied in 1977, payable in 1978.

## ARTICLE IX

Section 1. Minnesota Statutes 1974, Chapter 273, is amended by adding a section to read:

[273.132] [REDUCED ASSESSMENT PROPERTY AID.]  
Subdivision 1. Each county government, city, township, special

*taxing district, and each school district which levied ad valorem taxes payable in 1977 shall receive reimbursement in 1977 and subsequent years for the difference in tax as determined in subdivision 2, on class 3cc property assessed under section 273.13, subdivision 7, and on structures used as housing for the elderly or for low and moderate income families and assessed under section 273.13, subdivision 17 or 17b.*

*Subd. 2. (a) The county auditor shall calculate the tax on the property described in subdivision 1 in the same manner as like property would be assessed, notwithstanding section 273.13, subdivision 7, as it relates to class 3cc property, and section 273.13, subdivision 17 and 17b.*

*(b) The difference between the amount calculated pursuant to clause (a) and the amount of tax actually payable by the owner on such property pursuant to those sections shall be distributed to the taxing districts by the commissioner of revenue in the same proportion that the ad valorem tax was distributed. He shall make payment directly to the affected taxing districts on July 15 of each year, commencing in 1977.*

*Subd. 3. The county auditor shall enter on the abstract of assessment of real property the assessed value of the affected property computed pursuant to subdivision 2, clause (a), which value shall be the basis of computing the distribution of school aids.*

*Subd. 4. For the purpose of determining the amount of the property tax levy subject to the limitation imposed by Minnesota Statutes, Sections 275.50 to 275.56, the property tax levy of a county government, city or town subject to the limitation shall be the property tax levy of that governmental unit prior to the distribution made pursuant to this section.*

Sec. 2. Minnesota Statutes 1974, Section 273.13, Subdivision 17b, is amended to read:

**Subd. 17b. [VALUATION OF FARMERS HOME ADMINISTRATION PROPERTY IN MUNICIPALITIES OF UNDER 10,000.]** Notwithstanding any other provision of law, any structure

(a) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the farmers home administration,

(b) located in a municipality of less than 10,000 population,

(c) financed by a direct loan or insured loan from the farmers home administration, and

(d) which qualifies under subdivision 17a, shall, for 15 years from the date of the completion of the original construction or for the original term of the loan, be assessed at five percent of the adjusted market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents. *The five percent assessment rate shall apply only to structures which qualify for that rate and paid taxes accordingly in 1977 or previous years. Structures which qualify for assessment and pay taxes under this subdivision in years subsequent to 1977 shall be assessed at 20 percent of their adjusted market value.*

## ARTICLE X

Section 1. Minnesota Statutes, 1975 Supplement, Section 275.51, Subdivision 3c, is amended to read:

Subd. 3c. The property tax levy limitation for governmental subdivisions in 1976 payable in 1977 shall be calculated as follows:

(a) In cities and townships, the sum of the levy limit base computed pursuant to subdivision 3b plus 17.5 percent of the local government aids received in calendar year 1976 pursuant to section 477A.01 plus any increases authorized by section 275.52, subdivision 4 shall be determined. This sum shall be divided by the population of the city or township as determined in accordance with section 275.53 for calendar year 1975. The resultant quotient shall be increased pursuant to section 275.52, subdivision 2 to derive the levy limit base per capita for the city or town for taxes levied in 1976 payable in 1977.

(b) In the case of counties, the levy limit base computed pursuant to subdivision 3b plus any increase pursuant to section 275.52, subdivision 4 plus any increase allowed pursuant to Laws 1974, Chapter 490 shall be divided by the population of the county for calendar year ~~1976~~ 1975 as determined pursuant to section 275.53. The resultant quotient shall be increased pursuant to section 275.52, subdivision 2 to derive the levy limit base per capita for the county for taxes levied in 1976 payable in 1977, and in counties not containing a city of the first class of over 200,000 population the 1976 levy limit base per capita for taxes levied in 1976 payable in 1977 shall be increased by ten percent.

(c) In all governmental subdivisions the levy limit base per capita for 1976 payable 1977 shall be multiplied by the population of the governmental subdivision as determined pursuant to section 275.53 for calendar year 1976. This is the levy limit base for 1976 taxes payable in 1977.

The levy limit base shall be reduced by the full amount of state formula aids to be paid in 1977 pursuant to section 477A.01, and taconite aids to be paid in 1977 pursuant to sections 294.26, 298.26, 298.28, subdivisions 1 and 1a, 298.281, subdivision 1, 298.282, and 298.32 and Laws 1975, Chapter 437, Article 11. The resulting figure is the amount of property taxes which a governmental subdivision may levy in 1976 payable in 1977 for all purposes other than those for which special levies and special assessments are made.

Sec. 2. [EFFECTIVE DATE.] *This article is effective on the day following final enactment.*

## ARTICLE XI

Section 1. Minnesota Statutes, 1975 Supplement, Section 290.06, Subdivision 3c, is amended to read:

Subd. 3c. [CREDITS AGAINST TAX.] Notwithstanding the provisions of subdivision 3a for taxable years which begin after December 31, 1971, the taxes due under the computation in accordance with section 290.06 shall be credited with the following amounts:

(1) In the case of an unmarried individual, and, except as provided in paragraph 6, in the case of the estate of a decedent, \$21, and in the case of a trust, \$5;

(2) In the case of a married individual, living with husband or wife, and in the case of a head of a household, \$42. If such husband and wife make separate returns the personal exemption may be taken by either or divided between them;

(3) In the case of an individual, \$21 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. In the case of the head of a household, a credit for one dependent shall be disallowed. A payment to a divorced or separated wife, other than a payment of the kind referred to in section 290.072, subdivision 3, shall not be considered a payment by the husband for the support of any dependent.

(4) (a) In the case of an unmarried individual who has attained the age of 65 before the close of his taxable year, an additional \$21;

(b) For taxable years which begin after December 31, ~~1974~~ 1975, in the case of an unmarried individual who is ~~blind~~ *disabled* at the close of the taxable year, an additional \$25;

(c) In the case of a married individual, living with husband or wife, an additional \$21 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$25 for each spouse who is ~~blind~~ *disabled* at the close of the individual's taxable year. If such husband and wife make separate returns, these credits may be taken by either or divided between them;

(d) For the purposes of sub-paragraphs (b) and (c) of paragraph (4), an individual is ~~blind~~ *disabled* if ~~his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees he has a disability as defined in Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 10.~~

(e) For taxable years which begin after December 31, 1974, in the case of an unmarried individual who is deaf at the close of the taxable year, an additional \$25.

(f) For taxable years which begin after December 31, 1974, in the case of a married individual, an additional \$25 for each spouse who is deaf at the close of the taxable year. If the husband and wife make separate returns, these credits may be taken by either or divided between them.

(g) For taxable years which begin after December 31, 1974, in the case of an individual, an additional \$25 for each person (other than a spouse) who is deaf and dependent upon and receiving his chief support from the taxpayer.

(h) For the purposes of subparagraphs (e), (f) and (g) of paragraph (4), an individual is deaf if the average loss in the speech frequencies (500-2000 Hertz) in the better ear, unaided, is 92 decibels, American National Standards Institute, or worse.

(5) In the case of an insurance company, it shall receive a credit on the tax computed as above equal in amount to any taxes based on premiums paid by it during the period for which the tax under Extra Session Laws 1967, Chapter 32, is imposed by virtue of any law of this state, other than the surcharge on premiums imposed by Extra Session Laws 1933, Chapter 53, as amended;

(6) If the status of a taxpayer, insofar as it affects the credits allowed under paragraphs 1, 2 and 3 shall change during the taxable year, or if the taxpayer shall either become or cease to be a resident of the state during such taxable year, such credit shall be apportioned, in accordance with the number of months before and after such change. For the purpose of such apportionment, a fractional part of a month shall be disregarded unless more than one-half of the month, in which case it shall be considered as a month. In case of death during a taxable year, a credit shall be allowed to the decedent, in proportion to the number of months before his death, and to his estate, in proportion to the number of months after his death, and in any event a minimum credit of \$5 shall be allowed to the decedent and his estate, respectively;

(7) In the case of a non-resident individual, credits under paragraphs 1, 2, 3 and 4 shall be apportioned in the proportion of the gross income from sources in Minnesota to the gross income from all sources, and in any event a minimum credit of \$5 shall be allowed.

#### ARTICLE XII

Section 1. Minnesota Statutes 1974, Section 273.133, is amended to read:

273.133 [TREATMENT OF COOPERATIVES, AND CHARITABLE CORPORATIONS OR OTHER NONPROFIT CORPORATIONS.] *Subdivision 1.* [COOPERATIVES AND CHARITABLE CORPORATIONS.] When a building which contains several dwelling units is owned by a corporation or association organized under sections 308.05 to 308.18, and each person who owns a share or shares in the corporation or association is entitled to occupy a unit in the building, the corporation or association may claim homestead treatment for each unit in accordance with section 273.13, subdivision 7, for the part of the value of the building represented by each such unit occupied by a shareholder. Each unit shall be designated by legal description, and the assessed value of the building shall be the sum of the assessed values of each of the respective units comprising said building. To qualify for the treatment provided by this section, the corporation or association must be wholly owned by persons having shares entitling them to occupy a unit in the building. A charitable corporation organized under the laws of Minnesota and not otherwise exempt thereunder with no outstanding stock shall qualify for such homestead treatment with respect to member residents of such dwelling units who have purchased and hold residential participation warrants entitling them to occupy such units.

*Subd. 2. [OTHER NONPROFIT CORPORATIONS.] When a building containing several dwelling units is owned by an entity organized under chapter 317 and operating as a nonprofit corporation which enters into membership agreements with persons under which they are entitled to life occupancy in a unit in the building, homestead classification shall be given to each unit so occupied and the entire building shall be assessed in the manner provided in subdivision 1 for cooperatives and charitable corporations.*

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 12, is amended to read:

**Subd. 12. [GROSS RENT.]** "Gross rent" means rental paid solely for the right of occupancy, at arms-length, of a homestead, exclusive of charges for any utilities, services, furniture, furnishings or personal property appliances furnished by the landlord as a part of the rental agreement, whether expressly set out in the rental agreement or not. If the landlord and tenant have not dealt with each other at arms-length and the commissioner determines that the gross rent charged was excessive, he may adjust the gross rent to a reasonable amount for purposes of sections 290A.01 to 290A.21.

If the landlord does not supply the charges for any utilities, furniture, furnishings or personal property appliances furnished by him, or if the charges appear to be incorrect the commissioner may apply a percentage determined from samples of similar gross rents paid solely for the right of occupancy.

*Any amount paid by a claimant residing in property assessed pursuant to section 273.133 for occupancy in that property shall be excluded from gross rent for purposes of chapter 290A. However, property taxes imputed to the homestead of the claimant pursuant to section 273.133 shall be included within the term "property taxes payable" as defined in subdivision 13, notwithstanding the fact that ownership is not in the name of the claimant.*

Sec. 3. *This article is effective for taxes levied in 1976 and thereafter and payable in 1977 and thereafter.*

### ARTICLE XIII

Section 1. *Minnesota Statutes 1974, Sections 290.031, 290.921 and 290.922, are repealed.*

Sec. 2. *This article is effective July 1, 1977.*

### ARTICLE XIV

Section 1. Minnesota Statutes 1974, Section 273.42, is amended to read:

**273.42 [RATE OF TAX; ENTRY AND CERTIFICATION; CREDIT ON PAYMENT.]** The property set forth in section 273.37, subdivision 2, consisting of transmission lines, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average rate of taxes levied for all purposes throughout the county and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other

taxes are certified, and, when paid, shall be credited ; ~~one-half to the general revenue fund of the county ; and one-half to the general school fund of the county .~~ *One-fourth of the amount credited to the county general revenue fund shall be apportioned and distributed among the various townships in the county on the basis of the number of electrical transmission structures used with high voltage transmission lines as defined in Minnesota Statutes, Section 116C.52, Subdivision 3 and taxed under this section, situated in each township and one-fourth shall be apportioned and credited against property taxes payable or to become payable upon real estate upon which such transmission structures are situated upon the basis of the number of transmission structures situated upon each parcel or tract. The credit provided by this section shall be applied after deduction of any other applicable credits, and shall in no event exceed the amount of the tax remaining payable. Any balance not apportioned and credited against real estate taxes by reason of real estate being tax exempt or the credit exceeding taxes payable may be expended for other county purposes.*

*Sec. 2. There is appropriated annually to the department of education from the general fund sufficient funds to reimburse school districts for revenue lost by reason of the enactment of section 1. The amount of reimbursement shall be paid to each school district entitled thereto by the department along with distributions of foundation aid upon certification by the respective county auditors as to the amount due to each district.*

*Sec. 3. Section 1 shall be effective with respect to taxes levied in 1976 and subsequent years and payable in 1977 and subsequent years.*

## ARTICLE XV

Section 1. Minnesota Statutes 1974, Section 270.071, Subdivision 6, is amended to read:

Subd. 6 (a) "Air commerce" means the transportation by aircraft of persons or property for hire in interstate, intrastate, or international transportation on regularly scheduled flights or on intermittent or irregularly timed flights by airline companies operating under authorization from the United States Civil Aeronautics Board .

(b) "Air commerce" also includes but is not limited to an intermittent or irregularly timed flight, a flight arranged at the convenience of an airline and the person contracting for the transportation, or a charter flight.

(c) "Air commerce" does not include casual transportation for hire by aircraft commonly owned and used for private airflight purposes if the person furnishing the transportation does not hold himself out to be engaged regularly in transportation for hire.

Sec. 2. Minnesota Statutes 1974, Section 270.072, Subdivision 2, is amended to read:

Subd. 2. [ASSESSMENT OF FLIGHT PROPERTY.] The flight property of all air carriers operating in Minnesota under a certif-

icate of public convenience and necessity or under issued by authorization from the United States Civil Aeronautics Board shall be assessed annually by the commissioner in the manner prescribed by sections 270.071 to 270.079. Aircraft with a gross weight of less than 30,000 pounds and used on intermittent or irregularly timed flights shall be excluded from the provisions of sections 270.071 to 270.079.

Sec. 3. Minnesota Statutes 1974, Section 270.072, Subdivision 3, is amended to read:

Subd. 3. [REPORT BY AIRLINE COMPANY.] Every airline company engaged in air commerce in this state ~~at any time during the year 1945 or any year thereafter~~ shall file with the commissioner on or before the time fixed by the commissioner a report under oath setting forth specifically the information prescribed by the commissioner to enable him to make the assessment required in sections 270.071 to 270.079 , *unless the commissioner determines that the airline company or person should be excluded from filing because its activities do not constitute air commerce as defined herein .*

Sec. 4. *This article is effective for all years beginning after December 31, 1976. "*

Further, strike the title in its entirety and insert

"A bill for an act providing for a credit against income tax for the cost of care for certain dependents; defining "claimant" for purposes of certain homestead credits; inheritance and gift taxes; taxes on or measured by net income and assessment of ad valorem taxes; providing for payment from the taconite municipal aid account to certain cities and towns; metropolitan revenue distribution; providing that the commissioner of revenue shall perform administrative functions; changing settlement dates and the method of computing the taxable valuation of certain governmental units; providing for a refund of certain amounts of taxes paid for the 1975 taxable year; providing for promulgation of quality standards and performance labeling of solar energy devices; exempting solar energy devices from property taxation; providing a ten percent credit against income tax for the cost of pollution control equipment and solar energy devices; extending feedlot pollution control equipment credit; exempting solar energy devices from sales taxation; providing for state reimbursement of taxing districts for tax reduction granted to Title II and certain other property; changing the means of calculation and adjustment of levy limits in certain counties; providing for a credit against individual income tax for the mentally or physically disabled; providing for the assessment of dwelling units in certain buildings; eliminating the employer's excise tax; providing for a credit against taxes for persons on whose land high voltage transmission lines are located; providing for taxation of certain types of air commerce; prescribing certain powers and duties in regard to liquor for the commissioner of revenue; prescribing a penalty; appropriating money; amending Minnesota Statutes 1974, Sections 270.071, Subdi-

vision 6; 270.072, Subdivisions 2 and 3; 270.13; 273.13, Subdivision 17b; 273.133; 273.42; 276.05; 276.06; 290.06, Subdivisions 9 and 9a; 290.066, Subdivision 1; 291.03; 291.05; 292.05, Subdivision 1; 292.07, Subdivisions 3 and 5; 297A.25, Subdivision 1; 298.282, Subdivision 2, and by adding subdivisions; 340.44, as amended; 340.51; 340.55; 473F.02, Subdivisions 7, 11 and 12; 473F.06; 473F.08, Subdivisions 2, 3, 7 and 8; 473F.12, Subdivisions 2 and 4; and 473F.13, Subdivisions 1 and 2; and Chapters 273, by adding sections; and 290, by adding a section; Minnesota Statutes, 1975 Supplement, Sections 270.16, Subdivision 2; 272.02, Subdivision 1; 273.012, Subdivision 3; 274.14; 275.51, Subdivision 3c; 276.04; 290.01, Subdivision 20; 290.012, Subdivision 4; 290.06, Subdivision 3c; 290.21, Subdivision 4; 290A.03, Subdivisions 8, 12 and 13; 290A.04, Subdivisions 2 and 3; 290A.06; 290A.07, Subdivisions 1 and 2; 290A.14; and Laws 1975, Chapter 349, Section 32; and Laws 1976, Chapter 5, Section 2, Subdivision 1; repealing Minnesota Statutes 1974, Sections 290.031; 290.09, Subdivision 26; 290.921; 290.922; 473F.02, Subdivision 6; 473F.03; 473F.07, Subdivision 2; 473F.08, Subdivision 9; and Minnesota Statutes, 1975 Supplement, Section 124.03."

And when so amended the bill do pass. Amendments adopted. Report adopted.

#### SECOND READING OF HOUSE BILLS

H. F. No. 1979 was read the second time.

#### RECESS

Mr. Coleman moved that the Senate do now recess until 7:45 o'clock p.m. The motion prevailed.

The hour of 7:45 p.m. having arrived, the President called the Senate to order.

#### MEMBERS EXCUSED

Messrs. Chmielewski; Brown; Keefe, J.; Olson, J. L. and Silvers were excused from this evening's Session.

The Senate resumed its consideration of the Special Orders Calendar.

#### SPECIAL ORDER

S. F. No. 1886: A bill for an act relating to courts; providing for the election of Hennepin County municipal judges at the uniform municipal election; amending Minnesota Statutes 1974, Section 488A.021, Subdivision 3.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Josefson	Olson, A. G.	Schaaf
Ashbach	Fitzsimons	Keefe, S.	Olson, H. D.	Schmitz
Berg	Gearty	Kirchner	Patton	Schrom
Bernhagen	Hansen, Baldy	Kleinbaum	Perpich, A. J.	Solon
Brown	Hansen, Mel	Laufenburger	Perpich, G.	Spear
Conzemius	Hanson, R.	Merriam	Pillsbury	Stassen
Davies	Hughes	Milton	Purfeerst	Wegener
Doty	Humphrey	Olhoft	Renneke	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 1906: A bill for an act relating to licensed occupations; establishing a policy for the regulation of occupations; transferring responsibility for the provision of staffing and administrative services; clarifying reporting responsibilities; prescribing a procedure for complaint review; granting licensing boards additional powers relating to injunctive relief, subpoenas, continuing education, and other matters; prescribing duties of the board of health relating to human services occupations, creating advisory councils; merging the licensed practical nursing board into the board of nursing; making miscellaneous changes in practice acts for various licensed occupations; adopting the standard terms "licensure" and "license" for occupational licensing boards; transferring employees and moneys; appropriating money; amending Minnesota Statutes 1974, Sections 125.04; 125.05; 125.06; 125.08; 125.09, Subdivision 1; 125.12, Subdivision 1; 125.13, Subdivision 1; 125.17, Subdivision 1; 125.182, Subdivisions 2 and 3; 125.183, by adding a subdivision; 125.184, as amended; 125.185, as amended; 125.187; 144.955; 144.959; 147.021, Subdivision 1; 147.06; 147.13; 147.18; 147.23; 148.05; 148.06, Subdivision 1; 148.07, as amended; 148.10; 148.211, Subdivision 2; 148.241, Subdivision 1; 148.291, Subdivision 3; 148.32; 148.57; 148.59; 148.90, as amended; 148.91, Subdivisions 1 and 3; 148.97, Subdivision 6; 148.98; 150A.04, Subdivision 5; 150A.06, Subdivision 1; 150A.08, Subdivision 4; 150A.09, Subdivisions 1 and 3; 151.06, Subdivision 4; 151.10; 151.101; 151.11; 151.12; 151.13; 151.14; 151.19; 151.25; 151.27; 151.37, Subdivisions 5 and 6; 151.40; 153.07; 153.08; 153.09; 154.04; 155.02, Subdivision 7a; 155.03, Subdivision 2; 155.06, Subdivision 3; 155.09, Subdivisions 1, 4 and 5; 155.11, Subdivision 2; 155.14; 155.15; 155.16; 155.18, Subdivision 1; 155.19; 155.20, Subdivision 2; 156.01, Subdivision 5; 156.02, Subdivision 2; 156.03; 156.07; 156.072, Subdivisions 2 and 3; 156.081, Subdivision 1; 156.14; 214.01, Subdivision 1; 214.06; 270.47; 270.50; 270.51; 326.08, Subdivision 1; 326.11, Subdivision 6; 326.15; 326.19; 326.20; 326.21; 326.22, as amended; 326.23; 326.241, as amended; 326.242, Subdivisions 8 and 9; 326.33, Subdivisions 2 and 3; 326.331; 326.332, Subdivision 1; 326.333; 326.334, Subdivision 1; 326.54; 326.543; 326.544; 326.545; 326.546; 341.05, as amended; 341.06; 341.07; 341.08; 341.12; 341.13; 341.15; 386.61, Subdivision 2; 386.63, Subdivisions 2 and 3; 386.64; 386.65, Subdivision 1; 386.67; 386.69; 386.72; 386.73; Chapter 214, by adding sections; Minnesota Statutes, 1975 Supplement,

Sections 125.03, Subdivision 1; 125.11; 125.183, Subdivision 3; 144.952, by adding a subdivision; 147.01; 147.02, Subdivision 1; 147.05; 148.03; 148.181; 148.191; 148.211, Subdivision 1; 148.261, Subdivision 1; 148.29, Subdivision 2; 148.291, Subdivision 1; 148.299; 148.52; 148.54; 148.60; 148.67; 148.95; 150A.02, Subdivision 1; 150A.03, Subdivision 2; 151.03; 151.06, Subdivision 1; 151.07; 153.02; 153.03; 153.04; 153.13; 153.15; 154.22; 154.23; 155.05; 155.06, Subdivision 1; 155.08; 156.01, Subdivision 1; 214.01, Subdivision 2; 214.04; 214.07; 214.09, Subdivision 3; 270.41; 270.42; 270.48; 326.03, Subdivision 1; 326.04; 326.05; 326.06; 326.08, Subdivision 2; 326.09; 326.10; 326.11, Subdivisions 1 and 5; 326.12; 326.13; 326.14; 326.17; 326.18; 326.33, Subdivision 1; 326.541; 326.542; 341.01; 341.04; 341.10; 341.11; 386.62; 386.63, Subdivision 1; 386.66; 386.68; 386.70, Subdivision 1; 386.71; repealing Minnesota Statutes 1974, Sections 125.09, Subdivisions 2 and 3; 144.956; 144.958; 144.96; 144.965; 145.861; 145.862; 145.863; 145.864; 148.06, Subdivision 2; 148.08, Subdivision 1; 148.291, Subdivision 2; 148.55; 148.58; 148.94; 148.97, Subdivision 2; 148.99, Subdivision 1; 150A.04, Subdivisions 1, 2, 3 and 4; 150A.07; 150A.08, Subdivision 2; 150A.09, Subdivision 2; 151.09; 153.10; 153.11; 154.065, Subdivision 6; 156.01, Subdivision 4; 326.08, Subdivision 3; 326.11, Subdivision 3; 326.16; 386.63, Subdivision 6; 386.65, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 145.865, Subdivision 2; 145.866; 148.211, Subdivision 3; 148.231, Subdivision 3; 148.261, Subdivision 2; 148.291, Subdivision 4; 148.297, Subdivision 2; 148.55; 326.10, Subdivision 4; 326.11, Subdivisions 2 and 4; 326.242, Subdivision 8; 326.334, Subdivision 3; 386.695; 386.696; and 386.70, Subdivisions 3, 4, 5 and 6.

Mr. North moved to amend S. F. No. 1906 as follows:

Page 4, line 24, strike "teacher standards and certification" and insert "teaching"

Page 6, line 15, strike each semicolon and insert a comma

Page 6, line 17, strike "teacher standards and certification" and insert "teaching"

Page 11, lines 23 and 32, strike "they" and insert "he"

Page 28, line 32, after the period insert "A member may serve more than one term but shall not serve more than two terms consecutively."

Page 32, line 21, strike "may" and insert "shall censure, shall"

Page 32, line 22, after "to," insert "shall order re-examination,"

Page 32, line 22, strike "may" and insert "shall"

Page 32, line 31, strike "and regulations"

Page 33, line 7, strike "is" and insert "at any time during the previous five years was"

Page 33, line 7, strike "in the courts"

Page 33, line 8, strike everything before the period and insert "*reasonably related to his practice of medicine or osteopathy*"

Page 34, line 23, strike "law" and insert "rule"

Page 34, line 24, strike ", without"

Page 34, strike line 25

Page 34, line 26, strike "statute or law"

Page 35, line 4, strike "immoral or"

Page 35, line 9, strike everything after "established"

Page 35, strike lines 10 to 12

Page 35, line 13, strike "state"

Page 35, strike lines 19 to 20

Page 35, line 21, strike "mental or physical examination." and insert "*If the board has probable cause to believe that a physician comes within this clause, it shall direct the physician to submit to a mental or physical examination. For the purpose of this clause, every physician licensed under chapter 147 shall be deemed to have given his consent to submit to a mental or physical examination when directed in writing by the board and further to have waived all objections to the admissibility of the examining physicians' testimony or examination reports on the ground that the same constitute a privileged communication.*"

Page 35, line 24, strike "consequent upon" and insert "in"

Page 35, line 25, after "which" insert "case"

Page 35, strike lines 31 to 32

Page 36, strike lines 1 to 7

Page 36, strike lines 13 to 14 and renumber the remaining clause

Page 43, line 20, strike "In case a"

Page 43, strike lines 21 to 28

Page 44, lines 14 and 15, strike each semicolon and insert a comma

Page 44, line 16, strike the semicolon and insert ", and"

Page 44, line 23, before the comma insert "*during the five years immediately preceding appointment*"

Page 60, line 20, strike "state"

Page 60, strike lines 21 to 22

Page 60, line 23, strike "members are terminated, and a new state"

Page 60, line 25, strike "new"

Page 61, line 5, strike "The initial"

Page 61, strike lines 6 to 9

Page 66, line 11, strike "The board may"

Page 66, strike lines 12 to 14

Page 66, line 15, strike "consultation with the department of personnel."

Page 68, line 30, strike "registration"

Page 68, line 30, after "certificates" insert "*of license renewal*"

Page 80, line 6, strike the comma

Page 80, line 7, strike the first comma

Page 95, line 24, strike "veterinary examining"

Page 95, line 24, after "board" insert "*of veterinary medicine*"

Page 105, line 8, strike "and" and insert "*land*"

Page 124, line 1, strike "*initial*" and insert "*examination and experience*"

Page 131, line 8, strike "an annual" and insert "a"

Page 149, line 26, strike "an abstracters" and insert "*the*"

Page 149, line 26, strike "examiners" and insert "*abstracters*"

Page 150, lines 5 to 6, strike "for purposes of Laws 1973, Chapter 638" and insert "*in section 214.02*"

Page 151, line 23, strike "and regulations"

Page 158, line 1, after the period insert "*A state employee who serves on a board as a representative of a specific state department or agency shall not receive the \$35 per day.*"

Page 158, line 5, after the period insert "*The present secretary-treasurers of the board of barber examiners and the board of cosmetology shall become the executive secretary of their respective boards. The executive secretaries shall not be members of the boards they serve. The governor shall appoint replacement members to fill the unexpired term of any vacancy on a board caused by this section.*"

Page 159, line 29, after "145.864;" insert "145.865, Subdivision 3;"

Page 160, line 3, after "326.16;" insert "326.334, Subdivision 3;"

Page 160, line 5, strike "2" and insert "1"

Page 160, line 9, strike everything after "4;"

Page 160, line 10, strike "Subdivision 3;"

Amend the title as follows:

Page 1, line 18, strike "appropriating money;"

Page 2, line 38, after "145.864;" insert "145.865, Subdivision 3;"

Page 2, line 45, after "326.16;" insert "326.334, Subdivision 3;"

Page 2, line 48, strike "2" and insert "1"

Page 2, line 52, strike everything after "4;"

Page 2, line 53, strike "8; 326.334, Subdivision 3;"

The motion prevailed. So the amendment was adopted.

S. F. No. 1906: A bill for an act relating to licensed occupations; establishing a policy for the regulation of occupations; transferring responsibility for the provision of staffing and administrative services; clarifying reporting responsibilities; prescribing a procedure for complaint review; granting licensing boards additional powers relating to injunctive relief, subpoenas, continuing education, and other matters; prescribing duties of the board of health relating to human services occupations, creating advisory councils; merging the licensed practical nursing board into the board of nursing; making miscellaneous changes in practice acts for various licensed occupations; adopting the standard terms "licensure" and "license" for occupational licensing boards; transferring employees and moneys; amending Minnesota Statutes 1974, Sections 125.04; 125.05; 125.06; 125.08; 125.09, Subdivision 1; 125.12, Subdivision 1; 125.13, Subdivision 1; 125.17, Subdivision 1; 125.182, Subdivisions 2 and 3; 125.183, by adding a subdivision; 125.184, as amended; 125.185, as amended; 125.187; 144.955; 144.959; 147.021, Subdivision 1; 147.06; 147.13; 147.18; 147.23; 148.05; 148.06, Subdivision 1; 148.07, as amended; 148.10; 148.211, Subdivision 2; 148.241, Subdivision 1; 148.291, Subdivision 3; 148.32; 148.57; 148.59; 148.90, as amended; 148.91, Subdivisions 1 and 3; 148.97, Subdivision 6; 148.98; 150A.04, Subdivision 5; 150A.06, Subdivision 1; 150A.08, Subdivision 4; 150A.09, Subdivisions 1 and 3; 151.06, Subdivision 4; 151.10; 151.101; 151.11; 151.12; 151.13; 151.14; 151.19; 151.25; 151.27; 151.37, Subdivisions 5 and 6; 151.40; 153.07; 153.08; 153.09; 154.04; 155.02, Subdivision 7a; 155.03, Subdivision 2; 155.06, Subdivision 3; 155.09, Subdivisions 1, 4 and 5; 155.11, Subdivision 2; 155.14; 155.15; 155.16; 155.18, Subdivision 1; 155.19; 155.20, Subdivision 2; 156.01, Subdivision 5; 156.02, Subdivision 2; 156.03; 156.07; 156.072, Subdivisions 2 and 3; 156.081, Subdivision 1; 156.14; 214.01, Subdivision 1; 214.06; 270.47; 270.50; 270.51; 326.08, Subdivision 1; 326.11, Subdivision 6; 326.15; 326.19; 326.20; 326.21; 326.22, as amended; 326.23; 326.241, as amended; 326.242, Subdivisions 8 and 9; 326.33, Subdivisions 2 and 3; 326.331; 326.332, Subdivision 1; 326.333; 326.334, Subdivision 1; 326.54; 326.543; 326.544; 326.545; 326.546; 341.05, as amended; 341.06; 341.07; 341.08; 341.12; 341.13; 341.15; 386.61, Subdivision 2; 386.63, Subdivisions 2 and 3; 386.64; 386.65, Subdivision 1; 386.67; 386.69; 386.72; 386.73; Chapter 214, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 125.03, Subdivision 1; 125.11; 125.183, Subdivision 3; 144.952, by adding a subdivision; 147.01; 147.02, Subdivision 1; 147.05; 148.03; 148.181; 148.191; 148.211, Subdivision 1; 148.261, Subdivision 1; 148.29, Subdivision 2; 148.291, Subdivision 1; 148.299; 148.52; 148.54; 148.60; 148.67; 148.95; 150A.02, Subdivision 1; 150A.03, Subdivision 2; 151.03; 151.06, Subdivision 1; 151.07; 153.02; 153.03; 153.04; 153.13; 153.15; 154.22; 154.23; 155.05; 155.06, Subdivision 1; 155.08; 156.01, Subdivision 1;

214.01, Subdivision 2; 214.04; 214.07; 214.09, Subdivision 3; 270.41; 270.42; 270.48; 326.03, Subdivision 1; 326.04; 326.05; 326.06; 326.08, Subdivision 2; 326.09; 326.10; 326.11, Subdivisions 1 and 5; 326.12; 326.13; 326.14; 326.17; 326.18; 326.33, Subdivision 1; 326.541; 326.542; 341.01; 341.04; 341.10; 341.11; 386.62; 386.63, Subdivision 1; 386.66; 386.68; 386.70, Subdivision 1; 386.71; repealing Minnesota Statutes 1974, Sections 125.09, Subdivisions 2 and 3; 144.956; 144.958; 144.96; 144.965; 145.861; 145.862; 145.863; 145.864; 145.865, Subdivision 3; 148.06, Subdivision 2; 148.08, Subdivision 1; 148.291, Subdivision 2; 148.55; 148.58; 148.94; 148.97, Subdivision 2; 148.99, Subdivision 1; 150A.04, Subdivisions 1, 2, 3 and 4; 150A.07; 150A.08, Subdivision 2; 150A.09, Subdivision 2; 151.09; 153.10; 153.11; 154.065, Subdivision 6; 156.01, Subdivision 4; 326.08, Subdivision 3; 326.11, Subdivision 3; 326.16; 326.334, Subdivision 3; 386.63, Subdivision 6; 386.65, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 145.865, Subdivision 1; 145.866; 148.211, Subdivision 3; 148.231, Subdivision 3; 148.261, Subdivision 2; 148.291, Subdivision 4; 148.297, Subdivision 2; 148.55; 326.10, Subdivision 4; 326.11, Subdivisions 2 and 4; 386.695; 386.696; and 386.70, Subdivisions 3, 4, 5 and 6.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 52 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	Olhoft	Solon
Arnold	Frederick	Knutson	Olson, A. G.	Spear
Ashbach	Gearty	Kowalczyk	Olson, H. D.	Stassen
Bang	Hansen, Mel	Larson	O'Neill	Stokowski
Bernhagen	Hanson, R.	Laufenburger	Perpich, A. J.	Stumpf
Blatz	Hughes	Lewis	Perpich, G.	Ueland
Borden	Humphrey	McCutcheon	Pillsbury	Wegener
Chenoweth	Jensen	Milton	Purfeerst	Willet
Conzemius	Josefson	Moe	Renneke	
Davies	Keefe, S.	Nelson	Schaaf	
Doty	Kirchner	North	Schmitz	

Those who voted in the negative were:

Berg	Hansen, Baldy	Merriam	Patton	Schrom
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So the bill, as amended, passed and its title was agreed to.

Mr. McCutcheon moved that S. F. No. 1950 be stricken from General Orders and re-referred to the Committee on Governmental Operations. The motion prevailed.

#### SPECIAL ORDER

S. F. No. 2177: A bill for an act relating to retirement; miscellaneous amendments to the public employees retirement law; providing for a medical adviser in disability cases; inclusions and exclusions under the Minnesota state retirement system; mandatory retirement age for correctional officers; miscellaneous amendments to the elective state officers retirement plan and the unclassified employees retirement plan; providing for privacy of individual retirement data; excluding

overtime payments for pension purposes; amending Minnesota Statutes 1974, Sections 352.01, Subdivisions 2A and 2B; 352C.02, Subdivisions 2, 3, and by adding a subdivision; 352C.04, Subdivisions 1 and 2a; 352C.05; 352C.09, Subdivision 1; 353.01, Subdivisions 2b, 16, and 30; 353.03, Subdivision 1, and by adding a subdivision; 353.27, Subdivision 7; 353.30, Subdivision 3; 353.33, Subdivision 11, and by adding subdivisions; 353.34, Subdivision 6; 353.35; 353.656, Subdivision 6; Chapter 352C, by adding a section; Chapter 356, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 43.051, Subdivision 3; 352D.02, Subdivision 1; 353.01, Subdivision 24; 353.03, Subdivision 2a; 353.15; and 353.29, Subdivision 7; and repealing Minnesota Statutes 1974, Section 352C.04, Subdivisions 2 and 2b.

Mr. Stokowski moved to amend S. F. No. 2177 as follows:

Page 25, after line 26, insert:

"Sec. 30. Minnesota Statutes 1974, Chapter 354, is amended by adding a section to read:

[354.093] [MATERNITY LEAVE.] *A member of the fund granted parental or maternity leave of absence by the employing authority shall be entitled to service credit not to exceed one year for the period of leave upon payment to the fund by the end of the fiscal year following the fiscal year in which the leave of absence terminated. The amount of such payment shall include the required employee, employer and amortization contributions for the period of leave prescribed in section 354.42. Such payment shall be based on the member's average monthly salary upon return to teaching service, and shall be without interest. Repayment shall be accompanied by a certified or otherwise adequate copy of the resolution or action of the employing authority granting or approving the leave."*

Page 26, after line 17, insert:

"Sec. 33. *Notwithstanding any law to the contrary, a person who retired as a member of any fund enumerated in Minnesota Statutes, 1975 Supplement, Section 356.30, Subdivision 3, between May 1, 1975 and January 1, 1976 and who failed to elect to receive a combined service annuity authorized by section 356.30, subdivision 1, may make such election and repay any refund until January 1, 1977. Benefits shall be adjusted and paid on the basis of the election from and after the date of election."*

Renumber the sections in sequence

Amend the title as follows:

Line 12, after "purposes;" insert "service credit for teachers on parental or maternity leave; elections to receive a combined service annuity;"

Line 22, after "section;" insert "Chapter 354, by adding a section;"

The motion prevailed. So the amendment was adopted.

Mr. O'Neill moved to amend S. F. No. 2177 as follows:

Pages 25 and 26, strike all of section 30

Renumber the sections in sequence

Amend the title as follows:

Line 10, strike "providing for privacy of"

Line 11, strike "individual retirement data;"

Line 23, strike "sections" and insert "a section"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 27 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Fitzsimons	Josefson	Olson, J. L.	Stassen
Bang	Frederick	Kirchner	O'Neill	Ueland
Berg	Hansen, Baldy	Knutson	Patton	Willet
Bernhagen	Hansen, Mel	Kowalczyk	Pillsbury	
Blatz	Hanson, R.	Larson	Renneke	
Dunn	Jensen	Nelson	Schrom	

Those who voted in the negative were:

Anderson	Hughes	Merriam	Perpich, A. J.	Stokowski
Arnold	Humphrey	Milton	Perpich, G.	Stumpf
Borden	Keefe, S.	Moe	Purfeerst	Wegener
Chenoweth	Kleinbaum	North	Schaaf	
Conzemius	Laufenburger	Olhoft	Schmitz	
Davies	Lewis	Olson, A. G.	Solon	
Gearty	McCutcheon	Olson, H. D.	Spear	

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

Mr. Hansen, Mel moved to amend S. F. No. 2177 as follows:

Page 26, line 3, strike "may" and insert "shall"

Page 26, line 6, before the period, insert "*or for conduct of an audit by the legislative auditor, and shall make an annual report to the legislature listing individually, but without names of the recipients, all monthly benefits in excess of \$1,000 per month plus the ending salary and number of years of service for each recipient with that monthly benefit*"

Amend the title as follows:

Line 11, after the semicolon, insert "providing for release of necessary data to governmental agencies; requiring an annual report to the legislature;"

The motion prevailed. So the amendment was adopted.

S. F. No. 2177 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 53 and nays 0 as follows:

Those who voted in the affirmative were:

Anderson	Bernhagen	Conzemius	Frederick	Hanson, R.
Arnold	Blatz	Davies	Gearty	Hughes
Ashbach	Borden	Doty	Hansen, Baldy	Humphrey
Berg	Chenoweth	Dunn	Hansen, Mel	Jensen

Josefson	McCutcheon	Olson, H. D.	Purfeerst	Stassen
Keefe, S.	Merriam	Olson, J. L.	Renneke	Stokowski
Kleinbaum	Milton	O'Neill	Schaaf	Stumpf
Knutson	Moe	Patton	Schmitz	Ueland
Kowalczyk	Nelson	Perpich, A. J.	Schrom	Willet
Laufenburger	Olhoft	Perpich, G.	Solon	
Lewis	Olson, A. G.	Pillsbury	Spear	

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

#### SPECIAL ORDER

S. F. No. 2227: A bill for an act relating to negligence; civil actions; establishing the rule of pure comparative responsibility; amending Minnesota Statutes 1974, Section 604.01, Subdivision 1.

Mr. Davies moved to amend S. F. No. 2227 as follows:

Page 1, line 10, after the stricken word "shall" insert "*, unless greater than 75 percent,*"

Amend the title as follows:

Line 3, strike "establishing" and insert "modifying"

Line 3, strike "pure"

The motion prevailed. So the amendment was adopted.

S. F. No. 2227: A bill for an act relating to negligence; civil actions; modifying the rule of comparative responsibility; amending Minnesota Statutes 1974, Section 604.01, Subdivision 1.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 16 and nays 40, as follows:

Those who voted in the affirmative were:

Borden	Jensen	Olhoft	Schaaf	Stumpf
Davies	Keefe, J.	Olson, A. G.	Spear	Wegener
Doty	Keefe, S.	Pillsbury	Stokowski	
Humphrey	North			

Those who voted in the negative were:

Anderson	Dunn	Kleinbaum	Nelson	Purfeerst
Arnold	Fitzsimons	Knutson	Ogdahl	Renneke
Berg	Frederick	Kowalczyk	Olson, H. D.	Schmitz
Bernhagen	Gearty	Lewis	Olson, J. L.	Schrom
Blatz	Hansen, Baldy	McCutcheon	O'Neill	Solon
Chenoweth	Hansen, Mel	Merriam	Patton	Stassen
Coleman	Hanson, R.	Milton	Perpich, A. J.	Ueland
Conzemius	Kirchner	Moe	Perpich, G.	Willet

So the bill failed to pass.

#### SPECIAL ORDER

H. F. No. 500: A bill for an act relating to energy; energy commission; public members; providing for compensation and reimbursement of traveling and other expenses; amending Minnesota Statutes 1974, Section 116H.04, Subdivision 2.

Mr. McCutcheon moved to amend H. F. No. 500, as amended by the Committee on Governmental Operations, adopted by the Senate on March 12, 1975, as follows:

Underline all the language in Section 1

After Section 1, insert:

"Sec. 2. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

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

Sec. 3. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

*Subd. 10. Before January 1, 1980, the commissioner of administration, in cooperation with the director, shall survey all buildings owned by the state of Minnesota which are heated by oil or interruptable natural gas units, including buildings and associated facilities of the state university system, the community college system, the Minnesota historical society building and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, or highways, to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications, or changes in building structures and systems. If the commissioner determines, based upon a formula specified by the director, that a modification is economically feasible, in that estimated savings in fuel procurement cost will exceed the cost of the modification amortized over the remaining useful life of the building, he shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. Before January 1, 1977, the commissioner shall submit a progress report to the legislature indicating the number and percentage of state-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, and his preliminary findings, recommendations, and priorities for implementing the economically feasible modifications based upon the continuing survey.*

Sec. 4. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

*Subd. 11. Before January 1, 1980, the university of Minnesota, after consultation with the director, shall survey all buildings and associated facilities of the university of Minnesota which are heated by oil or interruptable gas units to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications, or changes in building structures and systems. If the university determines, based upon a formula specified by the director, that a modification is economically feasible, in that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. Before January 1, 1977, the university shall submit a progress report to the legislature indicating the number and percentage*

*of university-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications based upon the continuing survey.*

Sec. 5. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

**[116H.121] [ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS.]** *Before July 1, 1977, the commissioner of administration, in consultation with the director, shall amend the rules concerning heat loss, illumination, and climate control standards promulgated pursuant to Minnesota Statutes, 1975 Supplement, Section 116H.12, Subdivision 4, to apply to all existing buildings heated by oil or interruptable gas units owned by the state, the university of Minnesota, any city, any county, and any school district.*

Sec. 6. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

**[116H.122] [INSPECTIONS AND FUEL COST ESTIMATES.]** *Before July 1, 1978, each city council and county board of commissioners shall complete an inspection of all existing city-owned or county-owned buildings within their respective jurisdictions. The inspection shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 4 of this act. A council or board may contract with any municipal building official appointed pursuant to Minnesota Statutes, Section 16.861, or the state building inspector to perform the energy conservation inspection. Each board and council shall estimate, based upon a formula specified by the director, the annual potential savings in fuel procurement costs for existing heating and cooling systems which would be realized for each county or city-owned building if it were improved to comply with the energy conservation standards.*

Sec. 7. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

**[116H.123] [AUTHORIZED IMPROVEMENT.]** *A city council or county board of commissioners shall authorize any necessary improvements to insure compliance with the energy conservation standards if, based upon a formula specified by the director, the estimated savings in fuel procurement costs after the proposed improvements to a building are completed exceeds the estimated installation or remodeling costs amortized over the remaining useful life of the building. Each council or board shall file the energy conservation inspection and estimated fuel procurement data for each city or county-owned building within its respective boundaries with the director of the Minnesota energy agency before December 31, 1978, for his review and comment.*

Sec. 8. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.124] [FINANCING.] *The installation of weatherstripping, the retrofitting or upgrading of insulation, or the modification of existing heating, ventilation, and cooling systems authorized pursuant to section 6 of this act shall be financed by the issuance of obligations in the manner and form prescribed by Minnesota Statutes, Chapter 475. The obligations may be issued only after obtaining the approval of the majority of the electors voting on the question of issuing obligations at a special or regular election. The obligations shall not be included in the computation of the net debt limitations of any city or county. Any city or county should immediately report the results of any election on the question of the issuance of obligations for the above purposes to the director.*

Sec. 9. Minnesota Statutes 1974, Section 120.78, is amended by adding a subdivision to read:

*Subd. 3. Before November 15, 1976, the commissioner of education shall analyze the reports and plans required in subdivisions 1 and 2 and submit a report to the legislature concerning the energy efficiency of school buildings owned or operated by all school districts and recommend proposed legislation concerning energy conservation measures for school buildings.*

Sec. 10. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

[120.781] [INSPECTIONS.] *Before July 1, 1978, each board shall complete an inspection of all existing public school buildings which it owns or operates that are heated by oil or interruptable gas units in order to determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 4 of this act. The results of the energy conservation inspection shall be recorded on a form furnished by the director of the Minnesota energy agency. A board may contract with any municipal building official appointed pursuant to Minnesota Statutes, Section 16.861 or the state building inspector to perform the energy conservation inspection. Each board shall estimate the annual savings in fuel procurement costs for existing heating and cooling systems which would be realized for each public school building within the district if it were improved to comply with the energy conservation standards, based upon a formula specified by the director of the Minnesota energy agency.*

Sec. 11. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

[120.782] [AUTHORIZED IMPROVEMENTS.] *A board shall authorize any necessary improvements to insure compliance with the energy conservation standards if, based upon a formula specified by the director of the Minnesota energy agency, the estimated savings in fuel procurement costs after the proposed improvements to a building are completed exceed the estimated installation or remodeling costs of the improvement amortized over the remaining useful life of the building. Each board shall file the energy conservation inspection and estimated fuel procurement data for each public school building within the district with the director of the Minnesota energy agency before*

*December 31, 1978, for his review and comment.*

Sec. 12. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

*[120.783] [FINANCING.] If a board determines that the proceeds of the levy permitted under Minnesota Statutes, Section 124.04, and the balance in the capital outlay fund are sufficient to complete all the improvements authorized pursuant to section 10 of this act in order to comply with the energy conservation standards, the board shall by January 1, 1980, enter contracts to complete all the authorized improvements. If a board determines that the proceeds of the levy permitted under Minnesota Statutes, Section 124.04 and the balance in the capital outlay fund are insufficient to complete all the improvements authorized pursuant to section 10 of this act, then the board shall apply to the commissioner for permission to issue obligations in the manner and form prescribed by Minnesota Statutes, Chapter 475, in the amount of the authorized improvements. The obligations may be issued only after obtaining the approval of the majority of the electors voting on the question of issuing obligations at a regular or special election. Each school district shall immediately report the results of any election on the question of issuing obligations for the above purposes to the commissioner and the director of the energy agency. These obligations shall not be included in the computation of any net debt limitations.*

Sec. 13. [APPROPRIATION.] *There is appropriated from the general fund \$158,000 to the commissioner of administration, \$8,000 for promulgation of the rules required by section 4 of this act, and \$150,000 to comply with section 2 of this act. There is appropriated from the general fund \$100,000 to the director of the Minnesota energy agency, \$50,000 to establish and maintain the energy conservation information center pursuant to section 1, and \$50,000 to contract for infrared aerial photographs, at least 50 percent of which shall be conducted outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2. These appropriations shall not cancel and shall be available until completely expended."*

Renumber the sections in sequence

After "Sec.", strike "2" and insert "14"

Strike the title amendment and insert:

*"A bill for an act relating to energy; compensating former public members of the legislative commission on energy; establishing an energy conservation information center; requiring the commissioner of administration to complete certain energy conservation modifications to state buildings; authorizing the commissioner of administration to promulgate rules concerning energy conservation physical improvements for public school, city, and county buildings; requiring the inspection of certain public buildings; authorizing the issuance of bonds for energy conservation improvements; appropriating money; amending Minnesota Statutes 1974, Chapters 116H, by adding sections; and 120, by adding sections; and Sections 116H.12, by adding subdivisions; and 120.78, by adding a subdivision."*

Mr. Conzemius moved to amend the McCutcheon amendment to H. F. No. 500 as follows:

Page 6, after section 12, insert

“Sec. 13. [CONSULTANT CONTRACTS.] *The director of the energy agency shall not enter into any contract with a consultant for any purpose involving an expenditure of \$2,500 or more until after he has submitted a copy of the proposed contract to the chairman of the senate finance committee and the chairman of the house appropriations committee and received their written recommendations thereon. The recommendations are advisory only.*”

Renumber the remaining section

The motion prevailed. So the amendment to the McCutcheon amendment was adopted.

The question recurred on the McCutcheon amendment.

The motion prevailed. So the amendment was adopted.

H. F. No. 500 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

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

And the roll being called, there were yeas 30 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Laufenburger	North	Solon
Arnold	Gearty	Lewis	Olhoff	Spear
Borden	Hansen, Mel	McCutcheon	Perpich, A. J.	Stokowski
Chenoweth	Hughes	Merriam	Perpich, G.	Stumpf
Coleman	Keefe, S.	Milton	Schaaf	Wegener
Davies	Kleinbaum	Moe	Schmitz	Willet

Those who voted in the negative were:

Ashbach	Fitzsimons	Keefe, J.	Ogdahl	Pillsbury
Bang	Frederick	Kirchner	Olson, A. G.	Purfeerst
Berg	Hansen, Baldy	Knutson	Olson, H. D.	Renneke
Bernhagen	Hanson, R.	Kowalczyk	Olson, J. L.	Schrom
Blatz	Humphrey	Larson	O'Neill	Stassen
Dunn	Jensen	Nelson	Patton	Ueland

So the bill failed to pass.

### SPECIAL ORDER

S. F. No. 1849: A bill for an act relating to the legislature; creating a legislative commission on housing and community development; prescribing its powers and duties; requiring a report and budget estimate.

Mr. Schaaf moved to amend S. F. No. 1849 as follows:

Page 1, lines 7 to 8, strike “HOUSING AND COMMUNITY DEVELOPMENT” and insert “COMMUNITY DEVELOPMENT AND HOUSING”

Page 1, lines 9, and 22 to 23, strike "housing and community development" and insert "community development and housing"

Page 2, after line 5, insert:

"(b) The preparation and periodic revision of a recommended statewide comprehensive housing plan. The recommended plan shall recognize methods for improving the availability of housing and insuring the structural integrity and energy conservancy of the housing. The commission shall submit to the legislature statutory amendments necessary to implement the plan;"

Reletter the remaining clauses

Page 2, lines 7 to 8, 10 to 11, 16 to 17 and 22, strike "housing and community development" and insert "community development and housing"

Page 3, lines 1 to 2, strike "housing and community development" and insert "community development and housing"

Page 3, strike section 2

Renumber the remaining section

Amend the title as follows

Line 3, strike "housing and community"

Strike lines 4 to 5 and insert "community development and housing."

The motion prevailed. So the amendment was adopted.

Mr. Hansen, Baldy moved to amend S. F. No. 1849 as follows:

Page 3, after line 26, insert :

"Sec. 3. Minnesota Statutes 1974, Chapter 3, is amended by adding a section to read:

[3.013] [BIENNIAL SESSIONS.] *The legislature may not meet in session during any even numbered year unless it is called by the governor to meet in extra session.*"

Page 3, line 28, strike ", and" and insert ". Sections 1 and 2"

Renumber the remaining sections

Underline all new language in the bill

Amend the title as follows:

Page 1, line 5, after "estimate" insert "; providing for biennial legislative sessions; amending Minnesota Statutes 1974, Chapter 3, by adding a section"

And the roll being called, there were yeas 35 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Jensen	Olson, H. D.	Renneke
Arnold	Dunn	Josefson	Olson, J. L.	Schmitz
Ashbach	Fitzsimons	Kirchner	O'Neill	Schrom
Bang	Frederick	Knutson	Patton	Solon
Berg	Hansen, Baldy	Kowalczyk	Perpich, A. J.	Stassen
Bernhagen	Hansen, Mel	Larson	Perpich, G.	Ueland
Blatz	Hanson, R.	Nelson	Pillsbury	Willet

Those who voted in the negative were:

Borden	Gearly	Kleinbaum	Moe	Schaaf
Chenoweth	Hughes	Lewis	North	Spear
Coleman	Humphrey	McCutcheon	Ogdahl	Stokowski
Conzemius	Keefe, J.	Merriam	Olhoft	Stumpf
Davies	Keefe, S.	Milton	Purfeerst	Wegener

The motion prevailed. So the amendment was adopted.

S. F. No. 1849 was then progressed.

On the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Messages From the House, Reports of Committees and Second Reading of Senate Bills. The motion prevailed.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned:

S. F. No. 2161.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 18, 1976

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a new Conference Committee of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 499: A bill for an act relating to insurance; authorizing an insurer to refuse to renew an automobile insurance policy under certain circumstances; amending Minnesota Statutes 1974, Section 65B.17.

There has been appointed as such committee on the part of the House:

Prahl; Anderson, G.; and Stanton.

Senate File No. 499 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 18, 1976

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1382:

H. F. No. 1382: A bill for an act relating to transportation; authorizing the commissioner of administration to acquire vehicles for the car pooling of state employees; removing, restricting or clarifying certain laws which discourage use of shared ride commuter vans to transport employees to and from work;

providing certain incentives; appropriating money; amending Minnesota Statutes 1974, Chapter 221, by adding a section; and Sections 16.85, Subdivision 1; and 65B.47, Subdivisions 1 and 2; and Minnesota Statutes, 1975 Supplement, Sections 65B.43, Subdivision 12; 221.011, Subdivision 22; repealing Minnesota Statutes 1974, Section 16.755.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Fugina, Petrafeso and Adams, L. have been appointed as such committee on the part of the House.

House File No. 1382 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 18, 1976

Mr. North moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1382, and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

**Mr. President:**

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 525:

H. F. No. 525: A bill for an act relating to state government; creating a department of transportation; prescribing its duties and responsibilities; transferring the functions of some state departments; appropriating money; amending Minnesota Statutes 1974, Sections 43.09, Subdivision 2a; and 360.017, Subdivision 1, repealing Minnesota Statutes 1974, Sections 4.20; 161.03; and 360.014.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Hanson, Pehler, Knickerbocker, Petrafeso and Beauchamp have been appointed as such committee on the part of the House.

House File No. 525 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 18, 1976

Mr. North for Mr. Laufenburger moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 525, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1825: A bill for an act relating to crimes, prohibiting altering or removing a manufacturer's identification mark on personal property; providing penalties, amending Minnesota Statutes, 1975 Supplement, Section 609.52, Subdivision 2; repealing Minnesota Statutes 1974, Section 609.655.

Senate File No. 1825 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

#### CONCURRENCE AND REPASSAGE

Mr. McCutcheon moved that the Senate concur in the amendments by the House to S. F. No. 1825 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1825 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	North	Schrom
Arnold	Fitzsimons	Kleinbaum	Ogdahl	Spear
Ashbach	Frederick	Knutson	Olhoff	Stassen
Bang	Gearty	Kowalczyk	Olson, A. G.	Stokowski
Berg	Hansen, Baldy	Larson	Olson, J. L.	Stumpf
Bernhagen	Hansen, Mel	Laufenburger	O'Neill	Ueland
Borden	Hanson, R.	Lewis	Patton	Wegener
Chenoweth	Hughes	McCutcheon	Perpich, G.	Willet
Coleman	Humphrey	Merriam	Pillsbury	
Conzemius	Jensen	Milton	Renneke	
Davies	Josefson	Moe	Schaaf	
Doty	Keefe, J.	Nelson	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 2373: A bill for an act relating to estates; clarifies aspects of the law concerning administration of estates; harmo-

nizes relevant registered land law with probate code; modifies document verification requirements; changes notice requirements; eliminates de novo appeals from probate court; authorizes the probate court to waive inheritance tax liens in supervised administrations; eliminates notice to attorney general for certain charitable devises; amending Minnesota Statutes 1974, Sections 524.1-310; 524.3-505; 524.3-908; 524.3-1003; 524.3-1007; 524.3-1201; 525.72; amending Minnesota Statutes 1975 Supplement, Sections 501.79, Subdivision 2, 508.68; 524.1-401; 524.3-301; 524.3-306; 524.3-310; 524.3-403; 524.3-603; 524.3-801; 524.3-803; 524.3-806; 524.3-910; 524.3-1204; 524.4-204; and 525.31.

Senate File No. 2373 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

### CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 2373 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 2373 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended.

And the roll being called, there were yeas 54 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Kirchner	North	Schmitz
Arnold	Gearty	Kleinbaum	Olhoff	Schrom
Ashbach	Hansen, Baldy	Knutson	Olson, A. G.	Solon
Bang	Hansen, Mel	Kowalczyk	Olson, H. D.	Spear
Bernhagen	Hanson, R.	Larson	O'Neill	Stassen
Borden	Hughes	Laufenburger	Patton	Stokowski
Chenoweth	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Davies	Jensen	Merriam	Perpich, G.	Ueland
Doty	Josefson	Milton	Pillsbury	Wegener
Dunn	Keefe, J.	Moe	Renneke	Willet
Fitzsimons	Keefe, S.	Nelson	Schaaf	

Messrs. Coleman, Conzemius, Lewis and Olson, J. L. voted in the negative

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 10: A bill for an act relating to certain commercial transactions; amending provisions of the uniform commercial code governing secured transactions and related provisions; amending Minnesota Statutes 1974, Chapter 336, by adding sections; and Sections 336.1-105; 336.1-201; 336.2-107; 336.5-116; 336.9-102; 336.9-103; 336.9-104; 336.9-105; 336.9-106; 336.9-203; 336.9-204; 336.9-205; 336.9-301; 336.9-302; 336.9-304; 336.9-305; 336.9-306; 336.9-307; 336.9-308; 336.9-312; 336.9-313; 336.9-318; 336.9-401; 336.9-402; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 336.9-501; 336.9-502; 336.9-504; and 336.9-505; repealing Minnesota Statutes 1974, Section 336.9-408.

Senate File No. 10 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

### CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 10 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 10 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended.

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Kleinbaum	Olhoft	Schrom
Arnold	Frederick	Knutson	Olson, A. G.	Solon
Ashbach	Gearty	Kowalczyk	Olson, H. D.	Spear
Bang	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Berg	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Bernhagen	Hanson, R.	Lewis	Patton	Stumpf
Borden	Hughes	McCutcheon	Perpich, A. J.	Ueland
Chenoweth	Humphrey	Merriam	Perpich, G.	Wegener
Coleman	Jensen	Milton	Pillsbury	Willet
Conzernius	Josefson	Moe	Purfeerst	
Davies	Keefe, J.	Nelson	Renneke	
Doty	Keefe, S.	North	Schaaf	
Dunn	Kirchner	Ogdahl	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 749: A bill for an act relating to intoxicating liquor, investigation of certain license applicants; amending Minnesota Statutes 1974, Section 340.13, by adding a subdivision.

Senate File No. 749 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

### CONCURRENCE AND REPASSAGE

Mr. Borden moved that the Senate concur in the amendments by the House to S. F. No. 749 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 749 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Kleinbaum	Olhoft	Schrom
Arnold	Frederick	Knutson	Olson, A. G.	Solon
Ashbach	Gearty	Kowalczyk	Olson, H. D.	Spear
Bang	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Berg	Hansen, Mel	Laufenburger	O'Neill	Stokowski
Bernhagen	Hanson, R.	Lewis	Patton	Stumpf
Blatz	Hughes	McCutcheon	Perpich, A. J.	Ueland
Borden	Humphrey	Merriam	Perpich, G.	Wegener
Chenoweth	Jensen	Milton	Pillsbury	Willet
Coleman	Josefson	Moe	Purfeerst	
Conzemius	Keefe, J.	Nelson	Renneke	
Doty	Keefe, S.	North	Schaaf	
Dunn	Kirchner	Ogdahl	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President.

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1047: A bill for an act relating to the organization and operation of state government; providing for membership terms, compensation, removal of members, and filling of membership vacancies of certain state boards, commissions, committees, councils, authorities, the housing finance agency and the tax court; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 3.922, Subdivision 2; 3.924; 3.927; 10A.02, Subdivision 2; 15.50, Subdivision 1, and by adding a subdivision; 15A.081, Subdivision 1; 16.71, Subdivision 1, and by adding a subdivision; 16.823, Subdivisions 2 and 3; 35.02; 40.03, Subdivisions 1 and 3, and by adding a subdivision; 43.03, Subdivision 1, and by adding a subdivision; 85A.01, Subdivisions 1 and 4.

and by adding a subdivision; 105.71, Subdivisions 1 and 3, and by adding a subdivision; 116.02, Subdivisions 1, 2 and 4; 116C.03, Subdivision 2, and by adding a subdivision; 116E.02, Subdivisions 1 and 4, and by adding a subdivision; 121.02, Subdivision 1, and by adding a subdivision; 136.12; 136.61, Subdivision 1, and by adding a subdivision; 136A.02, Subdivision 1, and by adding a subdivision; 136A.26; 139.01; 139.02; 144.01; 144.04; 175.006, Subdivision 1, and by adding a subdivision; 179.72, Subdivisions 1 and 2, and by adding a subdivision; 182.664, Subdivision 1, and by adding a subdivision; 216A.03, Subdivision 1, and by adding a subdivision; 238.04, Subdivision 2, and by adding a subdivision; 241.045, Subdivision 3, and by adding a subdivision; 250.05, Subdivisions 2 and 3, and by adding a subdivision; 256.975, Subdivision 1, and by adding a subdivision; 271.01, Subdivision 2, and by adding a subdivision; 275.551; 299B.05, Subdivision 3, and by adding a subdivision; 352.03, Subdivisions 1, 2 and 3, and by adding a subdivision; 363.04, Subdivision 4, and by adding a subdivision; 414.01, Subdivisions 3 and 6a, and by adding a subdivision; 462A.04, Subdivision 1, and by adding a subdivision; 490.15; 626.842; Chapter 15, by adding a section; repealing Minnesota Statutes 1974, Sections 3.922, Subdivision 3; 10A.-02, Subdivision 6; 16.823, Subdivision 5; 43.03, Subdivision 3; 121.02, Subdivision 2; 136.16; 136.61, Subdivisions 2 and 4; 136A.02, Subdivision 4; 175.006, Subdivision 3; 216A.03, Subdivision 2; 238.04, Subdivisions 4 and 5; 241.045, Subdivision 5; 271.01, Subdivision 3; 299B.05, Subdivision 2; 363.04, Subdivision 6; 462A.04, Subdivisions 2, 3 and 5.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

#### CONCURRENCE AND REPASSAGE

Mr. North moved that the Senate concur in the amendments by the House to S. F. No. 1047 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1047: A bill for an act relating to the organization and operation of state government; providing for membership terms, compensation, removal of members, and filling of membership vacancies of certain state boards, commissions, committees, councils, authorities, the housing finance agency and the tax court; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 3.922, Subdivision 2; 3.924; 3.927; 10A.-02, Subdivision 2; 15.50, Subdivision 1, and by adding a subdivision; 15A.081, Subdivision 1; 16.71, Subdivision 1, and by adding a subdivision; 16.823, Subdivisions 2 and 3; 35.02; 40.03, Subdivisions 1 and 3, and by adding a subdivision; 43.03, Subdivision 1, and by adding a subdivision; 85A.01, Subdivisions 1 and 4, and by adding a subdivision; 105.71, Subdivisions 1 and 3, and by adding a subdivision; 116.02, Subdivisions 1, 2 and 4; 116C.03, Subdivision 2, and by adding a subdivision; 116E.02, Subdivisions 1 and 4, and by adding a subdivision; 121.02, Subdivision 1, and by adding a subdivision; 136.12; 136.61, Subdivision 1, and by

adding a subdivision; 136A.02, Subdivision 1, and by adding a subdivision; 136A.26; 139.01; 139.02; 144.01; 144.04; 175.006, Subdivision 1, and by adding a subdivision; 179.72, Subdivisions 1 and 2, and by adding a subdivision; 182.664, Subdivision 1, and by adding a subdivision; 216A.03, Subdivision 1, and by adding a subdivision; 238.04, Subdivision 2, and by adding a subdivision; 241.045, Subdivision 3, and by adding a subdivision; 250.05, Subdivisions 2 and 3, and by adding a subdivision; 256.975, Subdivision 1, and by adding a subdivision; 271.01, Subdivision 2, and by adding a subdivision; 275.551; 299B.05, Subdivision 3, and by adding a subdivision; 352.03, Subdivisions 1, 2 and 3, and by adding a subdivision, 363.04, Subdivision 4, and by adding a subdivision; 414.01, Subdivisions 3 and 6a, and by adding a subdivision; 462A.04, Subdivision 1, and by adding a subdivision; 490.15; 626.842; Chapter 15, by adding a section; repealing Minnesota Statutes 1974, Sections 3.922, Subdivision 3; 10A.02, Subdivision 6; 16.823, Subdivision 5; 43.03, Subdivision 3; 121.02, Subdivision 2; 136.16; 136.61, Subdivisions 2 and 4; 136A.02, Subdivision 4; 175.006, Subdivision 3; 216A.03, Subdivision 2; 238.04, Subdivisions 4 and 5; 241.045, Subdivision 5; 271.01, Subdivision 3; 299B.05, Subdivision 2; 352.03, Subdivision 3; 363.04, Subdivision 6; 462A.04, Subdivisions 2, 3 and 5.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Ogdahl	Schrom
Arnold	Fitzsimons	Kleinbaum	Olhoff	Solon
Ashbach	Frederick	Knutson	Olson, A. G.	Spear
Bang	Gearty	Kowalczyk	Olson, H. D.	Stassen
Berg	Hansen, Baldy	Larson	Olson, J. L.	Stokowski
Bernhagen	Hansen, Mel	Laufenburger	O'Neill	Stumpf
Blatz	Hanson, R.	Lewis	Patton	Ueland
Borden	Hughes	McCutcheon	Perpich, G.	Wegener
Chenoweth	Humphrey	Merriam	Pillsbury	Willet
Coleman	Jensen	Milton	Purfeerst	
Conzemiuss	Josefson	Moe	Renneke	
Davies	Keefe, J.	Nelson	Schaaf	
Doty	Keefe, S.	North	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned:

S. F. No. 2155.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of S. F. No. 2483. The motion prevailed.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2483: A bill for an act relating to environment; revising the environmental policy act; amending Minnesota Statutes 1974, Sections 116D.04, Subdivisions 3 and 8, and by adding subdivisions; and 116D.07.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 116D, is amended by adding a section to read:

**[116D.045] [COST OF PREPARATION OF ENVIRONMENTAL IMPACT STATEMENTS.]** *Subdivision 1. The Minnesota environmental quality board shall by rule adopt procedures to assess the proposer of an action, when the proposer is a private person, for reasonable costs of preparing and distributing an environmental impact statement required pursuant to Minnesota Statutes, Section 116D.04. These costs shall be determined by the responsible agency pursuant to the rules promulgated by the board in accordance with subdivision 5.*

*Subd. 2. In the event of a disagreement between the proposer of the action and the responsible agency over the cost of an environmental impact statement, the responsible agency shall consult with the board, which may modify the cost or determine that the cost assessed by the responsible agency is reasonable.*

*Subd. 3. The proposer shall pay the assessed cost to the board. All money received pursuant to this subdivision shall be deposited in the general fund. So much money as is necessary is annually appropriated from the general fund to the board to pay expenses incurred in the preparation and distribution of environmental impact statements in accordance with the provisions of Minnesota Statutes, Section 116D.04, and in the event such expenses are less than the assessment paid, to refund the excess to the proposer of the action. This annual appropriation shall not exceed the assessments to be paid during each period.*

*Subd. 4. No agency or governmental subdivision shall commence with the preparation of an environmental impact statement until at least one-half of the assessed cost of the environmental impact statement is paid pursuant to subdivision 3. No state agency may issue any permits for the construction or operation*

*of a project for which an environmental impact statement is prepared until the assessed cost for the environmental impact statement has been paid in full.*

*Subd. 5. For projects proposed by a private person with a total value of more than one million dollars, as determined by the board, the assessed cost for preparation and distribution of the environmental impact statement shall not exceed 3 per cent of the total project cost less one million dollars. The exemption of projects proposed by a private person with a total value of less than one million dollars shall not apply when a local government is designated the responsible agency.*

*Sec. 2. This act is effective the day following final enactment, except that section 1, subdivision 4, is not effective until the board has promulgated the rules specified in section 1, subdivision 1."*

Further amend the title as follows:

Page 1, line 2, strike "revising the" and insert "providing for the assessment of the cost of preparing an environmental impact statement; appropriating money; amending Minnesota Statutes 1974, Chapter 116D, by adding a section."

Page 1, strike lines 3 through 5

And when so amended the bill do pass and be re-referred to the Committee on Finance. Pursuant to joint rule 20 the bill and report were referred to the Committee on Rules and Administration.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2298: A bill for an act relating to motor vehicles; motor vehicle excise tax on vehicles purchased for resale; use of motor vehicles bearing motor vehicle dealer plates; amending Minnesota Statutes 1974, Sections 168.27, Subdivision 5; 297B.01, Subdivision 6; and Chapter 297B, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2453: A bill for an act relating to taxation; changing the means of calculation and adjustment of levy limits in certain counties; amending Minnesota Statutes, 1975 Supplement, Section 275.51, Subdivision 3c.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, reinstate "1975" and strike "1976"

Page 1, line 23, reinstate "the case of"

Page 2, line 3, strike "*plus in counties*"

Page 2, strike lines 4 through 6

Page 2, line 8, strike "1976" and insert "1975"

Page 2, line 12, after "1977" insert "*, and in counties not containing a city of the first class of over 200,000 population the 1976 levy limit base per capita for taxes levied in 1976 payable in 1977 shall be increased by ten percent*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

#### **SECOND READING OF SENATE BILLS**

S. F. Nos. 2298 and 2453 were read the second time.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 9:00 o'clock a.m., Friday, March 19, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINETY-FOURTH DAY

St. Paul, Minnesota, Friday, March 19, 1976

The Senate met at 9:00 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Anderson	Coleman	Jensen	Moe	Schrom
Arnold	Davies	Josefson	Olson, H. D.	Sillers
Ashbach	Doty	Keefe, S.	O'Neill	Solon
Bang	Dunn	Kirchner	Perpich, A. J.	Spear
Berg	Fitzsimons	Kleinbaum	Perpich, G.	Stokowski
Bernhagen	Gearty	Kowalczyk	Pillsbury	Stumpf
Blatz	Hansen, Baldy	Larson	Purfeerst	Tennessee
Borden	Hansen, Mel	Laufenburger	Renneke	Ueland
Brown	Hanson, R.	Lewis	Schaaf	Wegener
Chmielewski	Hughes	McCutcheon	Schmitz	Willet

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. William D. Young.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, J.	Nelson	Schmitz
Arnold	Doty	Keefe, S.	Ogdahl	Schrom
Ashbach	Dunn	Kirchner	Olhoft	Sillers
Bang	Fitzsimons	Kleinbaum	Olson, A. G.	Solon
Berg	Frederick	Knutson	Olson, H. D.	Spear
Bernhagen	Gearty	Kowalczyk	O'Neill	Stassen
Blatz	Hansen, Baldy	Larson	Patton	Stokowski
Borden	Hansen, Mel	Laufenburger	Perpich, A. J.	Stumpf
Brown	Hanson, R.	Lewis	Perpich, G.	Tennessee
Chenoweth	Hughes	McCutcheon	Pillsbury	Ueland
Chmielewski	Humphrey	Merriam	Purfeerst	Wegener
Coleman	Jensen	Milton	Renneke	Willet
Conzemius	Josefson	Moe	Schaaf	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

## MEMBERS EXCUSED

Mr. Patton was excused from the early part of today's Session.

Mrs. Brataas and Messrs. North and Olson, J. L. were excused from the Session of today. Mr. Chmielewski was excused from the Session of today at 1:00 o'clock p.m. Mr. Larson was excused from the Session of today at 3:00 o'clock p.m. Messrs. Hanson, R. and Moe were excused from the Session of today at 4:30 o'clock p.m. Messrs. Fitzsimons and Ueland were excused from the Session of today at 5:00 o'clock p.m. Messrs. Laufenburger and Pillsbury were excused from the Session of today at 5:30 o'clock p.m.

### INTRODUCTION OF BILLS

The following bill was read the first time.

Mr. Arnold, for the Committee on Finance, introduced—

S. F. No. 2581: A bill for an act relating to the organization and operation of state government; appropriating and reappropriating money for the general administrative expenses of state government and limiting the use thereof; providing for payment of claims against the state; abolishing the state claims commission; amending Minnesota Statutes 1974, Sections 3.732, Subdivisions 1, 2, and 5; 3.751, Subdivision 1; 176.011, Subdivision 9; 192.38; 238.04, by adding a subdivision; 345.48, Subdivision 2; and Chapter 3, by adding a section; repealing Minnesota Statutes 1974, Sections 3.66 to 3.7311; 3.735; 3.752; 3.753; 3.76 to 3.83; and 15.315.

Under the rules of the Senate, laid over one day.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1411: A bill for an act relating to education; agreements when school district has insufficient funds to pay orders; increasing the maximum permissible interest rate to eight percent per year; amending Minnesota Statutes 1974, Section 124.06.

Senate File No. 1411 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 18, 1976

Mr. Davies moved that S. F. No. 1411 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1273: A bill for an act relating to fair campaign practices; permitting corporations to conduct non-partisan voter regis-

tration campaigns and provide meeting facilities to political parties and candidates; authorizing the state ethics commission to issue and publish certain advisory opinions; amending Minnesota Statutes 1974, Section 10A.02, Subdivision 12; and Minnesota Statutes, 1975 Supplement, Section 210A.34, by adding a subdivision.

Senate File No. 1273 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 18, 1976

Mr. Keefe, S. moved that S. F. No. 1273 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1499: A bill for an act relating to the conduct of public officials and campaigns for public office; defining "lobbying"; redefining "lobbyist" and certain other terms; providing for the filing of certain reports and statements; providing penalties; amending Minnesota Statutes 1974, Sections 10A.01, Subdivisions 2, 5, 7, 10 and 11, and by adding a subdivision; 10A.02, Subdivisions 1, 5, 8 and 11; 10A.04, Subdivision 4; 10A.07, Subdivision 1; 10A.09, Subdivision 5; 10A.11, Subdivision 6; 10A.14, Subdivision 2; 10A.19, Subdivision 1; 10A.20, Subdivisions 1, 2, and 3, and by adding a subdivision; 10A.21, Subdivision 1; 10A.22, Subdivision 5; 10A.23; 10A.25, Subdivisions 3, 6 and 7; 10A.27, Subdivision 3; repealing Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.20, Subdivision 4; 10A.22, Subdivisions 2 and 8.

Senate File No. 1499 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 18, 1976

Mr. Keefe, S. moved that S. F. No. 1499 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1957: A bill for an act relating to medical assistance for the needy; prohibiting false claims for reimbursement; making certain vendors ineligible for reimbursement; providing access to certain medical records for verification of claims; providing for a penalty; amending Minnesota Statutes 1974, Sections 256B.064; 256B.27; Chapters 256B and 609, by adding sections; Minnesota

Statutes, 1975 Supplement, Sections 256B.12 and 609.52, Subdivision 2.

Senate File No. 1957 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 18, 1976

Mr. Tennessen moved that S. F. No. 1957 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 840: A bill for an act relating to the department of human rights; creating a private right of action to enforce the provisions of the human rights act in certain cases; amending Minnesota Statutes 1974, Section 363.06, Subdivision 1; and Chapter 363, by adding a section.

Senate File No. 840 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 18, 1976

Mr. Tennessen moved that S. F. No. 840 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 2186.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 18, 1976

#### FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H. F. No. 2186: A bill for an act relating to public safety; highway patrol; authorizing the commissioner of public safety to maintain certain aircraft; excepting certain personnel in the department of public safety from the requirement of reimbursing the state for the cost of using state-owned vehicles; amending Minnesota Statutes, 1975 Supplement, Section 16.753.

Referred to the Committee on Finance.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

House Concurrent Resolution No. 21: A house concurrent resolution designating September 13 to 19, 1976 as Minnesota Farmfest Week.

Reports the same back with the recommendation that the resolution be adopted. Report adopted.

Mr. Ueland moved that House Concurrent Resolution No. 21 be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 2472 for comparison to companion Senate File, reports the following House File was found identical and recommends the House File be given its Second Reading and substituted for its companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CALENDAR OF ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2472	2388				

And that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 2204 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CALENDAR OF ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2204	2346				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2204 be amended as follows:

Page 1, after line 11 insert:

“Section 1. Minnesota Statutes 1974, Section 15.162, is amended by adding a subdivision to read:

*Subd. 1a. “Arrest information” means (a) the name, age, and address of an arrested individual; (b) the nature of the charge against the arrested individual; (c) the time and place of the arrest; (d) the identity of the arresting agency; (e) information as to whether an individual has been incarcerated and the place of incarceration. “Arrest information” does not include data specifically made private, confidential or nonpublic pursuant to section 260.161 or any other statute.*

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 15.162, Subdivision 2a, is amended to read:

Subd. 2a. "Confidential data on individuals" means data which is : (a) *made not public but is ~~(a)~~ expressly made confidential by law as by statute or federal law applicable to the data and is inaccessible to the individual subject of that data;* (b) *collected by a civil or criminal investigative agency as part of an active investigation undertaken for the purpose of the commencement of a legal action, provided that the burden of proof as to whether such investigation is active or in anticipation of a legal action is upon the agency ;* ~~(c)~~ *data which supplies the basis for the diagnosis of the medical or psychiatric condition of an individual as determined by a licensed physician . Confidential data on individuals does not include arrest information that is reasonably contemporaneous with an arrest or incarceration.*

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 15.162, Subdivision 5, is amended to read:

Subd. 5. "Political subdivision" includes counties, municipalities, school districts and any boards, commissions, districts or authorities created pursuant to local ordinance. It includes any nonprofit corporation which is a community action agency organized to qualify for public funds, or any nonprofit social service agency which performs services under contract to any political subdivision, statewide system or state agency , *to the extent that the nonprofit social service agency or nonprofit corporation collects, stores, disseminates, and uses data on individuals because of a contractual relationship with state agencies, political subdivisions or statewide systems .*

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 15.162, Subdivision 5a, is amended to read:

Subd. 5a. "Private data on individuals" means data which is *made (a) not public but which by law ; and (b) is accessible to the individual subject of that data by statute or federal law applicable to the data . Private data on individuals does not include arrest information that is reasonably contemporaneous with an arrest or incarceration."*

Page 1, delete lines 12 to 25

Page 2, delete lines 1 to 18

Page 3, line 23, after "each" insert "category of"

Page 4, after line 11 insert:

"Sec. 8. Minnesota Statutes, 1975 Supplement, Section 15.163, is amended by adding a subdivision to read:

*Subd. 3. The legislative auditor may examine and audit data collection and reporting practices, policies, and procedures of any state agency or statewide system. The state auditor may examine and audit data collection and reporting practices, policies and procedures of political subdivisions.*

Sec. 9. Minnesota Statutes 1974, Chapter 15, is amended by adding a section to read:

[15.1642] [EMERGENCY CLASSIFICATION.] *Subdivision 1. [APPLICATION.] 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 under section 15.162, subdivision 2a or 5a, for its own use and for the use of other similar agencies, subdivisions or systems on an emergency basis until a proposed statute can be acted upon by the legislature. The application for emergency classification is public data.*

*Subd. 2. [CONTENTS OF APPLICATION.] An application for emergency classification shall include and the applicant shall have the burden of showing at least the following information:*

*(a) That no statute currently exists which either allows or forbids classification under section 15.162, subdivision 2a or 5a;*

*(b) That the data on individuals has been treated as either private or confidential by custom of long standing which has been recognized by other similar state agencies or other similar political subdivisions, and by the public;*

*(c) That a compelling need exists for immediate emergency classification, which if not granted could adversely affect the health, safety, wellbeing or reputation of the data subject; and*

*(d) That legislation is being developed to allow permanent classification under section 15.162, subdivision 2a or 5a.*

*If the commissioner grants the emergency classification, it shall be submitted with the complete record relating to the application to the attorney general, who shall review the classification as to form and legality. The attorney general shall, within 20 days, either approve or disapprove the classification.*

*Subd. 3. [EXPIRATION OF EMERGENCY CLASSIFICATION.] All emergency classifications granted under this section and still in effect shall expire on June 30, 1977. No emergency classifications shall be granted after June 30, 1977.*

*Sec. 10. Section 8 of this act shall be effective the day following its final enactment. Sections 1 to 7 of this act shall be effective June 1, 1976."*

Page 4, delete lines 12 to 32

Page 5, delete lines 1 to 5

Renumber the sections in order

Further amend the title as follows:

Page 1, line 7, delete "Section 15.17," and insert "Chapter 15, by adding a section"

Page 1, line 8, delete "Subdivision 4"

Page 1, line 9, delete "4" and insert "5"

Page 1, line 10, after "8" insert ", and by adding a subdivision" and after "2" insert ", and by adding a subdivision"

And when so amended, H. F. No. 2204 will be identical to S. F.

No. 2346 and further recommends that H. F. No. 2204 be given its second reading and substituted for S. F. No. 2346 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2019, 1909, 2230 and 2374 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2019	2018				
1909	2188				
2230	2075				
2374	2165				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2019 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Section 152.02, Subdivision 5, is amended to read:

Subd. 5. The following items are listed in Schedule IV: Barbitol; Chloral betaine; Chloral hydrate; Ethchlorvynol; Ethinamate; Methohexital; Meprobamate; Methylphenobarbital; Paraldehyde; Petrichloral; Phenobarbital; *Chlordiazepoxide*; *Diazepam*.”

Further amend the title as follows:

Page 1, line 4, delete “Subdivisions 2, 3, 4, 55, and” and insert “Subdivision 5.”

Page 1, delete line 5

And when so amended, H. F. No. 2019 will be identical to S. F. No. 2018 and further recommends that H. F. No. 2019 be given its second reading and substituted for S. F. No. 2018 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1909 be amended as follows:

Page 1, line 8, delete “in excess of 0.1”

Page 1, delete line 9

Page 1, line 10, delete “8-tetrachlorodibenzo-para-dioxin (TCDD).” and insert “trichlorophenoxyacetic acid, commonly known as 2, 4, 5-T.”

And when so amended, H. F. No. 1909 will be identical to S. F. No. 2188 and further recommends that H. F. No. 1909 be given its second reading and substituted for S. F. No. 2188 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2230 be amended as follows:

Page 1, line 22, after "fully" insert "*or partially*"

Page 3, line 15, delete "1" and insert "2"

Further, amend the title as follows:

Page 1, delete lines 6 to 10

Page 1, line 11, delete "and" and insert "amending"

And when so amended, H. F. No. 2230 will be identical to S. F. No. 2075 and further recommends that H. F. No. 2230 be given its second reading and substituted for S. F. No. 2075 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2374 be amended as follows:

Page 2, line 4, delete "*shall take effect*" and insert "*is effective*"

And when so amended, H. F. No. 2374 will be identical to S. F. No. 2165 and further recommends that H. F. No. 2374 be given its second reading and substituted for S. F. No. 2165 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. No. 2580 was read the second time.

#### SECOND READING OF HOUSE BILLS

H. F. Nos. 2472, 2204, 2019, 1909, 2230 and 2374 were read the second time.

#### MOTIONS AND RESOLUTIONS

Mr. Ueland moved that House Concurrent Resolution No. 21 be taken from the table. The motion prevailed.

House Concurrent Resolution No. 21: A house concurrent resolution designating September 13 to 19, 1976 as Minnesota Farmfest Week.

WHEREAS, Farmfest is a national agricultural project officially recognized by the American Revolution Bicentennial Administration; and

WHEREAS, Farmfest will recreate the epic of American agriculture with pageants, machinery exhibitions and salutes to craftsmen who have advanced the art and science of agriculture; and

WHEREAS, The Future Farmers of America have designated Farmfest as their 1976 Bicentennial activity; and

WHEREAS, Farmfest will include tractor pulling, plowing and other competitions in every technique of modern farming; now, therefore,

BE IT RESOLVED, by the House of Representatives, the Senate concurring, that September 13 to 19, 1976 be designated Minnesota Farmfest Week.

BE IT FURTHER RESOLVED, that the Governor of Minnesota should officially proclaim Minnesota Farmfest week and the general encouragement of the state of Minnesota be given to it.

Mr. Ueland moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Tennesen moved that S. F. No. 840 be taken from the table. The motion prevailed.

Mr. Tennesen moved that the Senate do not concur in the amendments by the House to S. F. No. 840 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. Lewis moved that his name be stricken and the name of Mr. Stumpf be added as co-author to S. F. No. 2213. The motion prevailed.

#### MEMBERS EXCUSED

Pursuant to Rule 21, Mr. Coleman moved that the following members be excused for a Conference Committee on S. F. No. 1383:

Messrs. Chenoweth; Doty; Humphrey; Keefe, J. and Nelson. The motion prevailed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

##### SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the rules of the Senate be so far suspended as to make General Orders a Special Orders Calendar for immediate consideration. The motion prevailed.

##### SPECIAL ORDER

H. F. No. 1615: A bill for an act relating to public health; providing for care, medical treatment, and legal rights of live births resulting from abortions.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 41 and nays 2, as follows:

Those who voted in the affirmative were:

Arnold	Fitzsimons	Kirchner	Olhoft	Stumpf
Bang	Frederick	Kleinbaum	Olson, H. D.	Tennessee
Berg	Gearty	Kowalczyk	O'Neill	Ueland
Bernhagen	Hansen, Baldy	Larson	Perpich, G.	Wegener
Borden	Hansen, Mel	Laufenburger	Purfeerst	Willet
Brown	Hanson, R.	McCutcheon	Renneke	
Chmielewski	Hughes	Merriam	Schmitz	
Conzemius	Jensen	Milton	Schrom	
Dunn	Josefson	Moe	Stokowski	

Messrs. Lewis and Spear voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H. F. No. 2159: A bill for an act relating to the city of Minneapolis; municipal employees survivor benefits; amending Minnesota Statutes 1974, Section 422A.23, Subdivisions 2 and 3; repealing Minnesota Statutes 1974, Section 422A.23, Subdivision 4.

Mr. Laufenburger moved to amend H. F. No. 2159, as follows:

Page 2, after line 21 insert:

*"Sec. 3. A credit union, upon approval of the commissioner of banks of an application in the prescribed form filed with him together with a filing fee of \$100, shall have the power to act as trustee or custodian within the contemplation of the federal self-employed individuals tax retirement act of 1962, as amended and shall have the power to act as trustee or custodian within the contemplation of the federal employee retirement income security act of 1974, as amended, to establish an individual retirement account. The funds shall be invested only in savings, or time deposits, except that this restriction shall not prevent a credit union from accepting and retaining as a deposit property or investments derived from any qualified plan from which the applicant desires to transfer such property.*

*Funds held in the fiduciary capacity may be comingled for purposes of investment or for other purposes approved by the commissioner of banks, but individual records shall be maintained by the fiduciary for each participant and show in detail all transactions engaged in under authority of this section. In passing upon applications the commissioner shall take into consideration all pertinent facts that relate to a credit union's financial responsibility and may grant or refuse the application accordingly."*

Re-number the sections in sequence.

Amend the title as follows:

Page 1, line 3, after the semi-colon insert:

*"allowing credit unions to act as trustees or custodians of employee pension benefit plan accounts;"*

The motion prevailed. So the amendment was adopted.

H. F. No. 2159 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,  
And the roll being called, there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	Ogdahl	Schmitz
Bang	Fitzsimons	Kleinbaum	Olhoft	Schrom
Berg	Frederick	Kowalczyk	Olson, H. D.	Spear
Bernhagen	Gearty	Larson	O'Neill	Stokowski
Blatz	Hansen, Baldy	Laufenburger	Perpich, A. J.	Stumpf
Borden	Hansen, Mel	Lewis	Perpich, G.	Tennessee
Brown	Hanson, R.	McCutcheon	Pillsbury	Wegener
Chmielewski	Hughes	Merriam	Purfeerst	Willet
Conzemius	Jensen	Milton	Renneke	
Davies	Josefson	Moe	Schaaf	

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

#### SPECIAL ORDER

S. F. No. 2164. A bill for an act relating to elections; limiting persons who may assist voters at the polling place; amending Minnesota Statutes, 1975 Supplement, Section 204A.34, by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Ogdahl	Schrom
Ashbach	Fitzsimons	Kleinbaum	Olhoft	Sillers
Bang	Frederick	Kowalczyk	Olson, H. D.	Spear
Berg	Gearty	Larson	O'Neill	Stokowski
Bernhagen	Hansen, Mel	Laufenburger	Perpich, A. J.	Stumpf
Blatz	Hanson, R.	Lewis	Perpich, G.	Tennessee
Borden	Hughes	McCutcheon	Pillsbury	Ueland
Brown	Jensen	Merriam	Renneke	Willet
Chmielewski	Josefson	Milton	Schaaf	
Davies	Keefe, S.	Moe	Schmitz	

So the bill passed and its title was agreed to.

#### MEMBERS EXCUSED

Pursuant to Rule 21, Mr. Stumpf moved that the following members be excused for a Conference Committee on H. F. No. 1519:

Messrs. Chenoweth, North and Stumpf. The motion prevailed.

#### SPECIAL ORDER

S. F. No. 2132: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; providing for the revocation of a driver's license or permit by the commissioner of public safety upon receipt of chemical test that person's blood contains .10 percent or more by weight of alcohol; providing procedural safeguards; providing for issuance of a limited license; providing for reinstatement of a revoked license; prescribing penalties; and appropriating money; amending Minne-

sota Statutes 1974, Chapter 169, by adding a section.

Mr. Olson, A. G., moved to amend S. F. No. 2132 as follows:

Page 1, after line 14, insert:

“Section 1. Minnesota Statutes 1974, Section 169.121, is amended by adding a subdivision to read:

*Subd. 7. Any person whose license has been revoked pursuant to section 169.124 shall not be subject to the mandatory revocation provisions of subdivisions 3 and 4 of this section.”*

Page 1, line 21, after “breath” insert “, other than a preliminary screening test,”

Page 2, line 20, after “as” insert “a contested case pursuant to chapter 15 and shall be held as”

Page 3, line 3, strike “on the record”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, after “section” insert “; and section 169.121, by adding a subdivision”

The motion prevailed. So the amendment was adopted.

S. F. No. 2132: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; providing for the revocation of a driver's license or permit by the commissioner of public safety upon receipt of chemical test that person's blood contains .10 percent or more by weight of alcohol; providing procedural safeguards; providing for issuance of a limited license; providing for reinstatement of a revoked license; prescribing penalties; and appropriating money; amending Minnesota Statutes 1974, Chapter 169, by adding a section; and Section 169.121, by adding a subdivision.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended.

And the roll being called, there were yeas 50 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, J.	Moe	Renneke
Arnold	Dunn	Keefe, S.	Nelson	Schaaf
Berg	Fitzsimons	Kleinbaum	Ogdahl	Schmitz
Bernhagen	Gearty	Kowalczyk	Olhoft	Sillers
Borden	Hansen, Mel	Larson	Olson, A. G.	Solon
Brown	Hanson, R.	Laufenburger	Patton	Spear
Chmielewski	Hughes	Lewis	Perpich, A. J.	Stassen
Coleman	Humphrey	McCutcheon	Perpich, G.	Stumpf
Conzemius	Jensen	Merriam	Pillsbury	Wegener
Davies	Josefson	Milton	Purfeerst	Willet

Those who voted in the negative were:

Ashbach	Hansen, Baldy Knutson	O'Neill	Ueland
Blatz	Kirchner		

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

#### SPECIAL ORDER

Pursuant to Rule 10, Mr. Perpich, A. J., Chairman of the Committee on Taxes and Tax Laws designated H. F. No. 1979, No. 152 on the General Orders Calendar, a Special Order to be heard immediately.

H. F. No. 1979: A bill for an act relating to taxation; defining "claimant" for purposes of certain homestead credits; amending Minnesota Statutes, 1975 Supplement, Sections 290A.03, Subdivision 8; and 290A.04, Subdivisions 2 and 3.

Mr. Perpich, A. J., moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 77, after line 10 insert a new Article XVI to read:

#### "ARTICLE XVI

Section 1. Minnesota Statutes 1974, Section 297A.26, is amended by adding a subdivision to read:

*Subd. 3. The taxpayer may deduct from the taxes payable in any reporting period \$8 on each timely filed return for costs of administration. A permit holder shall be entitled to only one deduction in each reporting period regardless of the number of permits held by the permit holder.*

Sec. 2. [EFFECTIVE DATE.] *This article is effective for reporting periods beginning after July 1, 1976.*"

Amend the title amendment as follows:

Page 77, line 48, after "revenue;" insert "*permitting a deduction from the sales tax by certain sales tax permit holders to defray the costs of collecting and remitting the tax;*"

Page 78, line 4, after "1;" insert "*297A.26, by adding a subdivision:*"

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

Mr. Perpich, A. J., moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 29, after line 23, insert:

"Sec. 12. Minnesota Statutes 1974, Section 290.09, Subdivision 10, is amended to read:

*Subd. 10. [MEDICAL EXPENSES.] Payments (not compensated for by insurance or otherwise) for expenses for hospital, nursing, medical, surgical, dental, and other healing services, including institutional care and treatment for the mentally ill and physically handicapped, and for medical supplies and ambulance hire, incurred by the taxpayer on account of sickness, mental illness, physical handicap or personal injury to himself or his dependents and premiums paid for hospitalization and medical insurance including non-profit hospital service and non-profit medical service*

plans. Payments for traveling expenses shall not be deductible under the provisions of this subdivision. Payments for hotel or similar lodging expenses shall be deductible in the same manner as payments for hospital services, if the taxpayer or his dependent is not hospitalized but is nevertheless required to remain in a medical center away from his usual place of abode, for the purpose of receiving prescribed medical treatment. *Payments for water filtration equipment and replacement components installed in the taxpayer's home to purify drinking water, which if consumed may be injurious to human health because of asbestiform fibers content, shall be deductible as a medical expense in the year in which the equipment or parts were purchased.*

*This section shall be effective for equipment and replacement components purchased after December 31, 1974."*

Renumber the sections in sequence

Amend the title amendment as follows:

Page 77, line 32, after the semicolon, insert "including cost of water filtration equipment in medical expense deduction;"

Page 78, line 2, after "1;" insert "290.09, Subdivision 10;"

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

Mr. Doty moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 68, line 27, strike "of over"

Page 68, line 28, strike "200,000 population"

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

Mr. Chmielewski moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 55, after line 24, insert "(16) For taxes payable in 1977 and subsequent years, billboards used to display commercial advertising messages, whether located on or off the premises of the person or business concern whose products or services are being advertised."

Page 65, line 32, after "enactment" insert ", except as provided therein"

Further, amend the title as follows:

Page 77, line 29, after "devices" insert "and advertising billboards"

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

Mr. Josefson moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 77, after line 10, insert a new Article XVI to read:

**“ARTICLE XVI**

Section 1. Minnesota Statutes, 1975 Supplement, Section 147.30, is amended to read:

147.30 [LOANS TO MEDICAL AND OSTEOPATHY STUDENTS WHO AGREE TO PRACTICE IN RURAL COMMUNITIES.] The state of Minnesota may provide loans to students for the cost of the education and living expenses during the time the recipient is enrolled in an accredited medical school in the state of Minnesota, or accredited school of osteopathy the graduates of which are eligible for licensure in Minnesota, and to students domiciled in Minnesota and enrolled in an accredited medical school or school of osteopathy located outside the state, if the recipient agrees in writing to practice medicine or osteopathy in a rural community in Minnesota designated as an area in need of medical doctors or osteopaths by the higher education coordinating ~~commission~~ *board*. In selecting medical students priority shall be given to students enrolled in Minnesota. Each recipient shall execute a note to the state payable on demand for the principal amount of the loan with interest at not more than eight percent per annum the rate applicable to any particular note to be determined by the ~~commission~~ *board*. Interest shall run on the principal balance from the date of the loan until the principal sum is paid said interest to be payable when the principal sum is paid; provided that the obligation to repay the principal and interest on any such loan shall be forgiven if the recipient has practiced medicine or osteopathy for a period of 18 months for each initial or renewal period of the loan, or five years, whichever is less, in an area in need of medical doctors or osteopaths as designated by the higher education coordinating ~~commission~~ *board*. If the recipient fails to fulfill the obligation to practice, the principal and interest on any such loan shall be payable according to the terms of the note executed by such recipient. Assistance may be granted in the amount that the ~~commission~~ *board* determines sufficient for the purpose specified in this section not to exceed \$5,000 per recipient per year. Loans shall be renewed on an annual basis contingent on the good standing of the recipient in the program. No individual recipient shall receive loans to exceed \$20,000 in aggregate principal amount. The ~~commission~~ *board* may delay the time for beginning practice not more than four years after the recipient has qualified to practice if the recipient wishes to seek additional medical or osteopathic training.

*An amount not to exceed \$5,000, plus interest accrued thereon shall be forgiven within a month immediately following the 18 month period of practice if the board finds the recipient eligible for the forgiveness. The entire balance due and owing under the loan shall be forgiven within one month immediately following five years of practice if the board finds such eligibility.”*

Renumber the articles in sequence

Amend the title amendment as follows:

Page 77, line 48, after “revenue;” insert “forgiving certain amounts of loans to certain medical students;”

Page 78, line 11, after "Sections" insert "147.30;"

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

Mr. Brown moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 77, after line 10, insert a new Article XVII to read:

**"ARTICLE XVII**

Section 1. Minnesota Statutes 1974, Section 290 13, is amended by adding a subdivision to read:

*Subd. 11. [COST BASIS OF RESIDENCES; INFLATION.] When property used by a taxpayer as his principal residence is sold for an amount greater than its cost the gain for the purposes of chapter 290 shall be adjusted to correct for the effect of monetary inflation since the purchase of the residence. The commissioner, using standard statistical information prepared by the United States government, shall annually by rule adopt a percentage figure for each year commencing with 1933 to express the monetary inflation since that year. The percentage figure for the year of purchase shall be multiplied times the cost of purchase. The product shall be added to the cost of purchase and the sum shall be the basis for determining the gain upon the sale of the residence. If the residence was purchased before 1933 the percentage figure for 1933 shall be used.*

Sec. 2. This article is effective for taxable years beginning after December 31, 1975."

Further, amend the title amendment as follows:

Page 77, line 48, after "revenue;" insert "providing an inflation adjustment for the cost of residences for income tax purposes;"

Page 78, line 2, after "1;" insert "290.13, by adding a subdivision."

The question being taken on the adoption of the amendment to the amendment,

And the roll being called, there were yeas 26 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Josefson	Ogdahl	Stassen
Bang	Fitzsimons	Kirchner	O'Neill	Ueland
Berg	Frederick	Knutson	Patton	
Bernhagen	Hansen, Mel	Kowalczyk	Pillsbury	
Blatz	Hanson, R.	Larson	Renneke	
Brown	Jensen	Nelson	Sillers	

Those who voted in the negative were:

Arnold	Doty	Laufenburger	Olson, A. G.	Schrom
Borden	Gearty	Lewis	Olson, H. D.	Solon
Chenoweth	Hansen, Baldy	McCutcheon	Perpich, A. J.	Spear
Chmielewski	Hughes	Merriam	Perpich, G.	Stokowski
Coleman	Humphrey	Milton	Purfeerst	Stumpf
Conzemius	Keefe, S.	Moe	Schaaf	Tennessen
Davies	Kleinbaum	Olhoft	Schmitz	

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

Mr. Jensen moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 15, line 20, strike "1975" and insert "1976"

Page 15, line 21, strike "1975" and insert "1976"

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

Mr. Frederick moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 58, after line 28, insert:

"Sec. 6 Minnesota Statutes 1974, Section 290.09, is amended by adding a subdivision to read:

*Subd. 30. [POST SECONDARY SCHOOL EXPENSE.] Fifty percent of the amount paid to others for tuition and textbooks of each dependent attending an accredited post secondary school; provided that the deduction for each dependent shall not exceed \$1,000 per year or a cumulative total of \$4,000 for each dependent. For purposes of this subdivision any grant or scholarship received by a dependent shall be deemed to be paid by the dependent for tuition and textbooks.*

Sec. 2 [EFFECTIVE DATE.] *Section 1 shall be effective for taxable years beginning after December 31, 1975.*"

Renumber the sections in sequence

Amend the title amendment as follows:

Page 77, line 33, after the semicolon, insert "providing for a deduction from gross income for amounts paid for post secondary school expenses."

Page 78, line 2, after "1;" insert "290.09, by adding a subdivision:"

The question being taken on the adoption of the amendment to the amendment,

And the roll being called, there were yeas 21 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Hanson, R.	Kowalczyk	Renneke
Bang	Fitzsimons	Jensen	O'Neill	Sillers
Berg	Frederick	Kirchner	Patton	Stassen
Bernhagen	Hansen, Mel	Knutson	Pillsbury	Ueland
Blatz				

Those who voted in the negative were:

Arnold	Doty	Lewis	Perpich, A. J.	Stokowski
Borden	Gearty	McCutcheon	Perpich, G.	Stumpf
Chenoweth	Hansen, Baldy	Merriam	Purfeerst	Tennessee
Chmielewski	Humphrey	Milton	Schaaf	Willet
Coleman	Keefe, S.	Moe	Schmitz	
Conzemius	Kleinbaum	Olhoft	Solon	
Davies	Laufenburger	Olson, H. D.	Spear	

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

Mr. O'Neill moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 29, after line 11, insert

"Sec. 11. Minnesota Statutes, 1975 Supplement, Section 290.06. Subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) *Subject to subdivision 2d*, for taxable years beginning after December 31, 1971, the income taxes imposed by chapter 290 upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income in excess of the applicable credits allowed by section 290.21, the following schedule of rates:

- (1) On the first \$500, one and six-tenths percent;
- (2) On the second \$500, two and two-tenths percent;
- (3) On the next \$1,000, three and five-tenths percent;
- (4) On the next \$1,000, five and eight-tenths percent;
- (5) On the next \$1,000, seven and three-tenths percent;
- (6) On the next \$1,000, eight and eight-tenths percent;
- (7) On the next \$2,000, ten and two-tenths percent;
- (8) On the next \$2,000, eleven and five-tenths percent;
- (9) On the next \$3,500, twelve and eight-tenths percent;
- (10) On all over \$12,500, and not over \$20,000, fourteen percent;
- (11) On the remainder, fifteen percent.

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision *and subdivision 2d*, the tax of any individual taxpayer whose taxable net income for the taxable year, reduced by the applicable credits allowed by section 290.21, is less than \$10,000 shall be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision *and subdivision 2d*.

Sec. 12. Minnesota Statutes 1974, Section 290.06, is amended by adding a subdivision to read:

*Subd. 2d. [INFLATION ADJUSTMENT.] For taxable years beginning after December 31, 1975, the rates imposed by subdivision 2c shall be adjusted for inflation. The commissioner of revenue shall annually determine the percentage increase in the consumer price index for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor with 1967 as a base year. The commissioner shall determine the increase*

*from September 1, 1975 to August 30 each succeeding year. He shall announce the percentage figure by November 1, each year. The dollar amount in each range of the schedule shall be multiplied times the percentage. The product of each calculation shall be added to the dollar amount in each range to produce inflation adjusted taxable net income subject to the rates in subdivision 2c for each succeeding year."*

Renumber the sections in sequence

Amend the title amendment as follows:

Page 77, line 38, after the semicolon, insert "providing an inflation adjustment for the income tax rate schedule;"

Page 78, line 2, after "9a" insert ", and by adding a subdivision;"

Page 78, line 15, strike "Subdivision 3c" and insert "Subdivisions 2c and 3c"

The question being taken on the adoption of the amendment to the amendment,

And the roll being called, there were yeas 26 and nays 33. as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Josefson	Nelson	Stassen
Bang	Fitzsimons	Keefe, J.	O'Neill	Ueland
Berg	Frederick	Kirchner	Patton	
Bernhagen	Hansen, Mel	Knutson	Pillsbury	
Blatz	Hanson, R.	Kowaiczuk	Renneke	
Brown	Jensen	Larson	Sillers	

Those who voted in the negative were:

Arnold	Doty	Laufenburger	Olson, H. D.	Stokowski
Borden	Gearty	Lewis	Perpich, A. J.	Stumpf
Chenoweth	Hansen, Baldy	McCutcheon	Perpich, G.	Tennessee
Chmielewski	Hughes	Merriam	Purfeerst	Wegener
Coleman	Humphrey	Moe	Schaaf	Willet
Conzemius	Keefe, S.	Olhoft	Solon	
Davies	Kleinbaum	Olson, A. G.	Spear	

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

Mr. Frederick moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 7, after line 1, insert:

Section 1. Minnesota Statutes 1974, Section 291.01, Subdivision 4, is amended to read:

Subd. 4. [JOINTLY OWNED PROPERTY.] Whenever any property, real or personal, is held in the joint names of two or more persons, or is deposited in banks or in other institutions or depositories in the joint names of two or more persons payable to either or the survivor, upon the death of one of such persons the right of the sur-

vivor or survivors, to the immediate ownership or possession and enjoyment of such property, shall be deemed a transfer and subject to the inheritance tax imposed by this chapter, except such part thereof as may be shown to have originally belonged to the survivor or survivors and never to have been received or acquired by them from the decedent for less than an adequate and full consideration in money or money's worth; in which case there shall be excepted only such part as is proportionate to the consideration furnished by the survivor or survivors. Provided, where any property has been acquired prior to April 29, 1935, by the decedent and spouse, as joint tenants, not in excess of one-half of the value thereof shall be taxable. Provided, further, where property has been acquired at any time by gift, bequest, devise, or inheritance, by the decedent and any other person or persons, as joint tenants, the taxable portion shall be the value of a fractional part of said property to be determined by dividing the value of the property by the number of joint tenants.

*Notwithstanding the above rule, if the property is held or deposited in the joint names of the decedent and spouse, it shall be presumed that each furnished one half the consideration, unless the survivor can show he furnished more than one half the consideration.*

*This section shall apply to the estates of persons whose death occurs on or after August 1, 1976."*

Renumber the sections in sequence

Amend the title amendment as follows:

Page 78, line 2, after "1;" insert "291.01, Subdivision 4;"

The question being taken on the adoption of the amendment to the amendment,

Mr. Perpich, A. J. moved that those not voting be excused from voting. The motion prevailed.

And the roll being called, there were yeas 28 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Jensen	Larson	Renneke
Bang	Dunn	Josefson	Nelson	Sillers
Berg	Fitzsimons	Keefe, J.	Ogdahl	Stassen
Bernhagen	Frederick	Kirchner	O'Neill	Ueland
Blatz	Hansen, Mel	Knutson	Patton	
Brown	Hanson, R.	Kowalczyk	Pillsbury	

Those who voted in the negative were:

Arnold	Gearty	Lewis	Purfeerst	Stumpf
Borden	Hansen, Baldy	McCutcheon	Schaaf	Tennessee
Chenoweth	Hughes	Merriam	Schmitz	Wegener
Coleman	Humphrey	Olhoft	Schrom	Willet
Conzemius	Keefe, S.	Olson, A. G.	Solon	
Davies	Kleinbaum	Perpich, A. J.	Spear	
Doty	Laufenburger	Perpich, G.	Stokowski	

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

Mr. Nelson moved to amend the amendment placed on H. F. No.

1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 11, line 9, strike "\$30,000" and insert "\$60,000"

Page 13, line 6, strike everything after ", a" and insert "*spouse or a surviving spouse of a child*"

Page 13, line 7, strike "daughter"

Page 13, line 9, strike "\$500" and insert "\$1,000"

The question being taken on the adoption of the amendment to the amendment,

And the roll being called, there were yeas 23 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Josefson	Nelson	Sillers
Berg	Fitzsimons	Keefe, J.	Ogdahl	Stassen
Bernhagen	Frederick	Kirchner	O'Neill	Ueland
Blatz	Hansen, Mel	Knutson	Patton	
Brown	Jensen	Kowalczyk	Pillsbury	

Those who voted in the negative were:

Anderson	Davies	Kleinbaum	Perpich, A. J.	Stumpf
Arnold	Doty	Laufenburger	Purfeerst	Tennessee
Borden	Gearty	Lewis	Schaaf	Wegener
Chenoweth	Hansen, Baldy	Merriam	Schrom	Willet
Chmielewski	Hughes	Moe	Solon	
Coleman	Humphrey	Olhoft	Spear	
Conzemius	Keefe, S.	Olson, A. G.	Stokowski	

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

Mr. Brown moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 77, after line 10, insert a new Article XVII to read:

#### "ARTICLE XVII

Section 1. Minnesota Statutes, 1975 Supplement, Section 290.06, Subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) For taxable years beginning after December 31, ~~1974~~ 1975, the income taxes imposed by chapter 290 upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income in excess of the applicable credits allowed by section 290.21, the following schedule of rates:

- (1) On the first \$500, one ~~and six-tenths~~ percent;
- (2) On the second \$500, two ~~and two-tenths~~ percent;

- (3) On the next ~~\$1,000~~ *third \$500* , ~~three and five-tenths~~ *per cent;*
- (4) On the next ~~\$1,000~~ *fourth \$500* , ~~five and eight-tenths~~ *four percent;*
- (5) On the next \$1,000, ~~seven and three-tenths~~ *five percent;*
- (6) On the next \$1,000, ~~eight and eight-tenths~~ *six percent;*
- (7) On the next ~~\$2,000~~ *\$1,000* , ~~ten and two-tenths~~ *seven percent;*
- (8) On the next ~~\$2,000~~ *\$1,000* , ~~eleven and five-tenths~~ *eight percent;*
- (9) On the next ~~\$3,500~~ *\$1,000* , ~~twelve and eight-tenths~~ *nine percent;*
- (10) On ~~all over \$12,500, and not over \$20,000~~ *the next \$1,000* , ~~fourteen~~ *ten percent;*
- (11) *On the next \$1,000, eleven percent;*
- (12) *On the next \$1,000, twelve percent;*
- (13) *On the next \$2,500, thirteen percent;*
- (14) *On the next \$2,500, fourteen percent;*
- ~~(11)~~ (15) *On the remainder, fifteen percent.*

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year, reduced by the applicable credits allowed by section 290.21, is less than \$10,000 shall be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision.

Sec. 2. This article is effective for taxable years beginning after December 31, 1975."

Page 69, line 25, strike "21" and insert "25"

Page 69, line 31, strike "21" and insert "25"

Page 70, line 17, strike "21" and insert "25"

Further, amend the title amendment as follows:

Page 77, line 48, after "revenue;" insert "changing the tax rates and credits for individuals;"

Page 78, line 15, strike "Subdivision" and insert "Subdivisions 2c and"

The question being taken on the adoption of the amendment to the amendment,

And the roll being called, there were yeas 23 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Fitzsimons	Josefson	Nelson	Sillers
Bernhagen	Frederick	Keefe, J.	O'Neill	Stassen
Blatz	Hansen, Mel	Kirchner	Patton	Ueland
Brown	Hanson, R.	Knutson	Pillsbury	
Dunn	Jensen	Kowalczyk	Renneke	

Those who voted in the negative were:

Anderson	Davies	Laufenburger	Olson, A. G.	Stokowski
Arnold	Doty	Lewis	Perpich, A. J.	Stumpf
Borden	Gearty	McCutcheon	Purfeerst	Tennessee
Chenoweth	Hansen, Baldy	Merriam	Schaaf	Wegener
Chmielewski	Hughes	Milton	Schmitz	
Coleman	Humphrey	Moe	Solon	
Conzemius	Keefe, S.	Olhoft	Spear	

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

Mr. Blatz moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 75, after line 29, insert:

#### "ARTICLE XV

Section 1. [DEFINITION.] *"Surplus in the general revenue fund in the state treasury" means the amount of cash which is in the general revenue fund on June 30 of any year which is not encumbered as required by Minnesota Statutes, Section 16.16, or is not appropriated or dedicated by other provisions of law to a specific purpose, and which is in excess of \$30,000,000.*

Sec. 2. [COMMISSIONER OF ADMINISTRATION'S CERTIFICATE.] *The commissioner of administration on or before January 20 of each year shall certify and deliver to the commissioner of revenue an estimate of the prospective surplus in the general revenue fund on June 30 next following. If the commissioner of revenue does not approve the amount so certified, he shall forthwith return the certificate to the commissioner of administration who shall, within five days of the date of the return thereof, review the estimate and certify and deliver to the commissioner of revenue an estimate of the prospective surplus in the general revenue fund on June 30 next following. If necessary, this shall be done repeatedly until the commissioner of revenue approves the amount of the estimate.*

Sec. 3. [COUNTY AUDITOR'S DUTIES.] *Subdivision 1. [CERTIFICATE.] On or before December 31, in each year, the county auditor shall certify and transmit to the state auditor, in such form as may be prescribed by the state auditor the total amount in dollars of all taxes levied the current year upon all taxable property, real and personal, within the county for any purpose.*

*Subd. 2. [PENALTY FOR COUNTY AUDITOR'S FAILURE.] If the county auditor of any county fails in any year to comply with the provisions of subdivision 1, the taxes for the year in which the certificate was required shall not be reduced as provided in this*

*act and the state auditor shall not pay any moneys to the county for that year.*

**Sec. 4. [REDUCTION OF TAXES.] Subdivision 1. [PERCENTAGE.]** *Upon receipt of the certificates provided for in section 3 by the state auditor, he shall determine the percentage resulting from a ratio in which the numerator is the amount of the surplus in the general revenue fund and the denominator is the total amount of all taxes levied in all counties upon taxable property, real and personal, as certified by the county auditors pursuant to section 3, subdivision 1.*

**Subd. 2. [CERTIFICATION OF PERCENTAGE OF REDUCTION.]** *Upon determination of the percentage provided for in subdivision 1, the state auditor shall forthwith, and in no event later than January 25 of each year, certify to the county auditor and county treasurer of every county in the state the percentage so determined as the percentage to be used in the reduction, as hereinafter provided, of taxes upon all property, real and personal, payable in the current year.*

**Subd. 3. [REDUCTION OF TAXES.]** *Upon certification by the state auditor as provided in subdivision 2 of this section all taxes in the state upon taxable property, real or personal, which are due and payable in the current year are reduced, effective at the time of payment thereof, in the amount produced by applying the percentage so certified to the full amount of the taxes upon real property or personal property, due and payable in the current year. The payment, as otherwise provided by law, of the taxes so reduced shall constitute payment in full of all or the portion of the taxes for the current year so paid.*

**Subd. 4. [DELINQUENT TAXES.]** *If delinquent taxes for any year to which the provisions of this act apply are to be paid the taxes for the year shall be reduced in like manner by applying the appropriate percentage certified by the state auditor for the year in question.*

**Sec. 5. [PAYMENT TO COUNTIES.]** *On or before July 15 of each year the state auditor shall pay to each county from the general revenue fund in the state treasury an amount of money equal to the amount produced by applying to the amount of the surplus last certified pursuant to section 2 the percentage resulting from a ratio in which the numerator is the amount of taxes levied in the county in the preceding year as certified by the county auditor pursuant to section 3, subdivision 1, and the denominator is the total amount of all taxes levied in all counties in the state as so certified. The amount of money necessary to make the payments herein provided for is hereby annually appropriated from the general revenue fund in the state treasury.*

**Sec. 6. Minnesota Statutes 1961, Section 272.31, is amended to read:**

**272.31 [LIEN OF REAL ESTATE TAXES.]** *The taxes assessed upon real property shall be a perpetual lien thereon, and on all structures and standing timber thereon and on all minerals therein, from and including January 2 in the year in which they are levied,*

until they are paid; but, as between grantor and grantee, such lien shall not attach until the first Monday of ~~January~~ *February* of the year next thereafter."

Renumber the articles in sequence

Amend the title amendment as follows:

Page 77, line 48, after "revenue;" insert "providing for the reduction of certain taxes under certain conditions and for payments of moneys by the state to several counties under certain conditions; prescribing penalty for certain failures;"

The question being taken on the adoption of the amendment to the amendment,

And the roll being called, there were yeas 22 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Fitzsimons	Keefe, J.	O'Neill	Stassen
Berg	Frederick	Kirchner	Patton	Ueland
Bernhagen	Hansen, Mel	Knutson	Pillsbury	
Blatz	Jensen	Kowalczyk	Renneke	
Brown	Josefson	Nelson	Sillers	

Those who voted in the negative were:

Anderson	Dunn	Lewis	Perpich, A. J.	Spear
Arnold	Gearty	McCutcheon	Purfeerst	Stokowski
Borden	Hughes	Merriam	Schaaf	Stumpf
Coleman	Humphrey	Milton	Schmitz	Tennessee
Conzemius	Keefe, S.	Moe	Schrom	Wegener
Davies	Laufenburger	Olhoft	Solon	Willet
Doty				

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

Mr. Stassen moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 77, after line 10, insert:

## "ARTICLE XVII

Section 1. *A taxpayer who pays property taxes on class 3 or class 3b agricultural land as defined in Minnesota Statutes, Section 273.13 shall receive from the state a refund of the taxes paid on that part of the land left uncultivated or unharvested for wildlife habitat and feeding purposes during the crop season in the year in which the taxes were assessed. A refund pursuant to this act may be claimed in one year for not more than 2½ percent of the class 3 or class 3b agricultural land owned by the taxpayer.*

Sec. 2. *The commissioner of revenue may require reasonable proof of the facts necessary to claim the refund and shall provide for administration of the refunds by the state and the counties.*

Sec. 3. *The refund shall be paid in the year following the year when the taxes are paid.*

Sec. 4. *The sum of \$ . . . . . is appropriated to the commissioner of revenue from the general fund for the purposes of this act during the biennium commencing July 1, 1975. This appropriation shall not lapse until June 30, 1977.*

Sec. 5. *This act is effective for taxes levied and assessed in 1975 and thereafter and payable in 1976 and thereafter."*

Amend the title amendment as follows:

Page 77, line 48, after "revenue;" insert "providing a property tax refund for certain uncultivated or unharvested agricultural land;"

The question being taken on the adoption of the amendment to the amendment,

And the roll being called, there were yeas 29 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Josefson	Nelson	Renneke
Berg	Fitzsimons	Keefe, J.	Ogdahl	Sillers
Bernhagen	Frederick	Kirchner	Olson, H. D.	Stassen
Blatz	Hansen, Mel	Knutson	O'Neill	Ueland
Brown	Hanson, R.	Kowalczyk	Patton	Willet
Chmielewski	Jensen	Larson	Pillsbury	

Those who voted in the negative were:

Anderson	Doty	Lewis	Perpich, A. J.	Stokowski
Arnold	Gearty	McCutcheon	Purfeerst	Stumpf
Borden	Hansen, Baldy	Merriam	Schaaf	Tennessee
Chenoweth	Hughes	Milton	Schmitz	Wegener
Coleman	Humphrey	Moe	Schrom	
Conzemius	Keefe, S.	Olhoft	Solon	
Davies	Laufenburger	Olson, A. G.	Spear	

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

Mr. Stassen moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax Laws, adopted by the Senate March 18, 1976, as follows:

Page 77, after line 10, insert:

**"ARTICLE XVII**

Section 1. Minnesota Statutes 1974, Section 290.06, is amended by adding a subdivision to read:

*Subd. 12. [VANS USED TO TRANSPORT EMPLOYEES.] A credit equal to five percent of the cost of motor vehicles, having a capacity of nine or more passengers, purchased or leased by a taxpayer doing business in the state of Minnesota to be used to transport employees of the purchaser to and from the place of business of the purchaser or lessor located within the state may be deducted from the tax due under chapter 290 for the year in which the vehicles were purchased or leased.*

Sec. 2. Minnesota Statutes, 1975 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 of any motor vehicle by any person described in and subject to the conditions provided in section 297A.25, subdivision 1, clauses (j), (p) and (s).

(2) Purchase or use of any motor vehicle by any person who was a resident of another state at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person moved his residence to the state of Minnesota.

(3) Purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.211.

(4) Purchase or use of any motor vehicle previously registered in the state of Minnesota by any corporation or partnership when such transfer constitutes a transfer within the meaning of sections 351 or 721 of the Internal Revenue Code of 1954, as amended through December 31, 1974.

(5) *Purchase, lease or use of any motor vehicle having a capacity of nine or more passengers by a person doing business in the state of Minnesota when the vehicle is intended and used to transport employees of the purchaser or lessor to and from the place of business of the purchaser or lessor located within the state.*

Sec. 3. [EFFECTIVE DATE.] *This article shall be effective for sales of vehicles after April 30, 1976.*

Amend the title amendment as follows:

Page 77, line 48, after "revenue;" insert "providing a credit for purchase of, and an exemption for, vans used to transport employees;"

Page 78, line 2, after "9a" insert ", and by adding a subdivision"

Page 78, line 18, after "290A.14;" insert "297B.03;"

The question being taken on the adoption of the amendment to the amendment,

And the roll being called, there were yeas 22 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Fitzsimons	Kirchner	O'Neill	Stassen
Bernhagen	Hansen, Mel	Kowalczyk	Patton	Ueland
Blatz	Hanson, R.	Milton	Pillsbury	
Brown	Josefson	Nelson	Renneke	
Dunn	Keefe, J.	Ogdahl	Sillers	

Those who voted in the negative were:

Anderson	Chenoweth	Davies	Hughes	Kleinbaum
Arnold	Chmielewski	Doty	Humphrey	Laufenburger
Berg	Coleman	Gearty	Jensen	Lewis
Borden	Conzemius	Hansen, Baldy	Keefe, S.	McCutcheon

Merriam	Perpich, A. J.	Schmitz	Spear	Tennessee
Moe	Purfeerst	Schrom	Stokowski	Wegener
Olhoft	Schaaf	Solon	Stumpf	Willet
Olson, H. D.				

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

Mr. Bernhagen moved to amend the amendment placed on H. F. No. 1979 by the Committee on Taxes and Tax laws, adopted by the Senate March 18, 1976, as follows:

Page 51, line 32, before "For" insert "Subdivision 1."

Page 52, after line 9, insert:

*"Subd. 2. [EASEMENT FOR BUILDINGS USING SOLAR ENERGY.] An easement for sunlight is granted to a person owning a building using a system of energy, heating or cooling which is dependent in whole or part on the sun. No person may construct, alter or erect a building, billboard, fence, wall or other object or otherwise cause an impairment or interference with the capacity or capability of a system of energy, heating or cooling dependent in whole or part on the sun.*

*Subd. 3. A person violating subdivision 1 is liable to the owner of the building so affected in an amount equal to three times the actual and necessary cost of implementing an alternative energy, heating or cooling system necessitated by a diminution in the capability or capacity of the solar energy, heating or cooling system."*

The question being taken on the adoption of the amendment to the amendment,

And the roll being called, there were yeas 20 and nays 36, as follows:

Those who voted in the affirmative were:

Berg	Dunn	Hanson, R.	Ogdahl	Renneke
Bernhagen	Fitzsimons	Josefson	O'Neill	Sillers
Blatz	Frederick	Keefe, J.	Patton	Stassen
Brown	Hansen, Mel	Kowalczyk	Pillsbury	Ueland

Those who voted in the negative were:

Arnold	Gearty	Lewis	Perpich, A. J.	Stumpf
Borden	Hansen, Baldy	McCutcheon	Purfeerst	Tennessee
Chenoweth	Hughes	Merriam	Schaaf	Wegener
Chmielewski	Humphrey	Moe	Schmitz	Willet
Coleman	Jensen	Nelson	Schrom	
Conzemius	Keefe, S.	Olhoft	Solon	
Davies	Kleinbaum	Olson, A. G.	Spear	
Doty	Laufenburger	Olson, H. D.	Stokowski	

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

H. F. No. 1979 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 59 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Josefson	Moe	Schaaf
Arnold	Doty	Keefe, J.	Nelson	Schmitz
Ashbach	Dunn	Kirchner	Ogdahl	Schrom
Bang	Fitzsimons	Kleinbaum	Olhoft	Sillers
Berg	Frederick	Knutson	Olson, A. G.	Solon
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	Stassen
Blatz	Hansen, Baldy	Larson	O'Neill	Stokowski
Borden	Hansen, Mel	Laufenburger	Patton	Stumpf
Brown	Hanson, R.	Lewis	Perpich, A. J.	Ueland
Chenoweth	Hughes	McCutcheon	Pillsbury	Wegener
Chmielewski	Humphrey	Merriam	Purfeerst	Willet
Coleman	Jensen	Milton	Renneke	

Messrs. Davies ; Keefe, S. and Tennessen voted in the negative.

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

#### RECESS

Mr. Coleman moved that the Senate do now recess until 2:45 o'clock p.m. The motion prevailed.

The hour of 2:45 o'clock p.m. having arrived, the President called the Senate to order.

#### MEMBERS EXCUSED

Pursuant to Rule 21, Mr. Schaaf moved that the following members be excused for a Conference Committee on H. F. No. 109:

Messrs. Schaaf, Brown and Stokowski. The motion prevailed.

Mr. Patton was excused from the Session of today at 4:30 o'clock p.m.

#### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 525, pursuant to the request of the House:

Messrs. Laufenburger, Brown, Schaaf, North and Borden.

H. F. No. 1997, pursuant to the request of the House:

Messrs. Anderson, Hughes, O'Neill, Sillers and Lewis.

S. F. No. 840, pursuant to the request of the Senate:

Messrs. Tennessen, Stokowski and Jensen.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

**SPECIAL ORDER**

S. F. No. 2277: A bill for an act relating to the organization and operation of state government; codifying various provisions formerly contained as riders in appropriation acts; amending Minnesota Statutes 1974, Sections 3.755; 16A.72; 38.02, Subdivision 1, and by adding a subdivision; 121.26; 125.08; 136.06; 136.-11, Subdivisions 1 and 2, and by adding subdivisions; 136.13; 136.62, by adding a subdivision; 137.02, by adding a subdivision; 138.01; 144.169, by adding a subdivision; 158.04; 158.05; 158.08; 161.142, Subdivision 6; 161.201; 167.45; 171.26; 173.231; 241.27, by adding a subdivision; 245.61; 245.65, Subdivision 1; 246.02, Subdivisions 2 and 4; 248.07, Subdivision 8; 252.27, Subdivision 1; 254A.08, Subdivision 3; 256.01, Subdivision 8; 256.011; 260.-311, Subdivision 5; 299D.03, Subdivision 6; 299D.04; 352B.02, Subdivision 1; Chapters 134, 136, 137, 138, 161, 242, 245, and 246, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 16.02, Subdivision 16; 136A.121, Subdivision 3; 243.09, Subdivision 3; 252.24, Subdivision 4; 260.251, Subdivision 1a; 268.08, Subdivision 5; repealing Minnesota Statutes 1974, Sections 136.821; 161.241, Subdivision 5; 161.261, Subdivision 3; 167.40; 299D.03, Subdivision 4; Laws 1969, Chapter 157, Section 2; Laws 1973, Chapter 768, Section 23; and Laws 1975, Chapter 433, Section 20.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Kirchner	Olhoft	Sillers
Arnold	Gearty	Kleinbaum	Olson, A. G.	Solon
Ashbach	Hansen, Baldy	Knutson	Olson, H. D.	Spear
Bernhagen	Hansen, Mel	Kowalczyk	Patton	Stassen
Borden	Hanson, R.	Lewis	Perpich, A. J.	Stumpf
Coleman	Hughes	McCutcheon	Perpich, G.	Tennessee
Conzemius	Jensen	Merriam	Pillsbury	Ueland
Davies	Josefson	Milton	Purfeerst	Wegener
Doty	Keefe, S.	Moe	Schmitz	Willet

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

S. F. No. 2465: A bill for an act relating to natural resources; appropriating money for overtime compensation to conservation officers pursuant to contract; describing the contract provisions.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olson, A. G.	Solon
Arnold	Fitzsimons	Knutson	Olson, H. D.	Spear
Ashbach	Gearty	Kowalczyk	Patton	Stassen
Bang	Hansen, Mel	Lewis	Perpich, G.	Stumpf
Bernhagen	Hanson, R.	McCutcheon	Pillsbury	Tennessee
Borden	Hughes	Merriam	Purfeerst	Ueland
Coleman	Jensen	Milton	Schmitz	Wegener
Conzemius	Keefe, S.	Moe	Schrom	Willet
Davies	Kirchner	Olhoft	Sillers	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 1857: A bill for an act creating a Minnesota law revision board; prescribing its duties and functions; and appropriating funds for its operation.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	Patton	Spear
Arnold	Fitzsimons	Knutson	Perpich, A. J.	Stassen
Ashbach	Gearty	Kowalczyk	Perpich, G.	Stumpf
Bang	Hansen, Mel	Lewis	Pillsbury	Tennessee
Bernhagen	Hanson, R.	McCutcheon	Purfeerst	Ueland
Borden	Hughes	Merriam	Renneke	Wegener
Brown	Jensen	Milton	Schmitz	Willet
Conzemius	Josefson	Moe	Schrom	
Davies	Keefe, S.	Olhoft	Sillers	
Doty	Kirchner	Olson, A. G.	Solon	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2241: A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for disposition of proceeds of sale.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 36 and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Milton	Stumpf
Arnold	Dunn	Kirchner	Moe	Tennessee
Bang	Fitzsimons	Knutson	Patton	Ueland
Bernhagen	Frederick	Kowalczyk	Pillsbury	Willet
Brown	Gearty	Laufenburger	Purfeerst	
Chenoweth	Hansen, Mel	Lewis	Renneke	
Coleman	Hughes	McCutcheon	Spear	
Conzemius	Jensen	Merriam	Stassen	

Those who voted in the negative were:

Ashbach	Josefson	Olhoff	Perpich, G.	Sillers
Borden	Kleinbaum	Olson, A. G.	Schmitz	Solon
Hansen, Baldy	Ogdahl	Olson, H. D.	Schrom	Wegener
Hanson, R.				

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 485: A bill for an act relating to the operation of state government; creating a department of vocational rehabilitation; transferring the powers and duties of the division of vocational rehabilitation to the department; transferring personnel and appropriations; repealing Minnesota Statutes 1974, Sections 121.29; 121.30; 121.301; 121.31; 121.32; 121.33; 121.331; 121.71; 121.711; 121.712; 121.713; and 121.714.

Mr. Anderson moved to amend S. F. No. 485, as follows:

Page 13, after line 21, insert

“Sec. 11. Notwithstanding the provisions of Laws 1975, Chapter 433, Section 2, Subdivision 9, any additional federal funds which become available to the state of Minnesota for vocational rehabilitation purposes after March 1, 1976 and April 1 of each fiscal year thereafter as a result of a reallocation of funds returned by other states or release of additional funds may be carried over and expended in the next fiscal year. The state of Minnesota shall have earned these funds in the year they are received with state expenditures in accordance with the federal-state formula in effect for that year. These funds shall be subject to the provisions of section 9, subdivision 8 of this act.”

Renumber the sections accordingly

Page 13, line 22, before “This” insert “Sections 1 to 10 of”

Page 13, line 22, strike “takes” and insert “take”

Page 13, line 23, after the period insert “Section 11 of this act is effective the day following final enactment.”

The motion prevailed. So the amendment was adopted.

S. F. No. 485 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Chenoweth	Frederick	Humphrey	Knutson
Arnold	Coleman	Gearty	Jensen	Laufenburger
Ashbach	Conzemius	Hansen, Baldy	Josefson	Lewis
Bang	Davies	Hansen, Mel	Keefe, J.	McCutcheon
Bernhagen	Doty	Hanson, R.	Kirchner	Merriam
Borden	Dunn	Hughes	Kleinbaum	Milton

Ogdahl	Patton	Schmitz	Stassen	Willet
Olhoff	Perpich, A. J.	Sillers	Stumpf	
Olson, A. G.	Pillsbury	Solon	Tennessee	
Olson, H. D.	Renneke	Spear	Ueland	

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

#### SPECIAL ORDER

S. F. No. 1644: A bill for an act relating to public welfare; establishing a senior companion program; appropriating funds.

Mr. Borden moved to amend S. F. No. 1644 as follows:

Page 1, line 19, after the period insert "Foster grandparents currently serving individuals over 21 years of age pursuant to Minnesota Statutes, Section 256.976 shall, after the effective date of this act, be called senior companions."

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen moved to amend S. F. No. 1644 as follows:

Page 2, after line 32 insert:

"Sec. 3. [DEFINITIONS.] Subdivision 1. For the purposes of sections 3 and 4 the following terms have the meanings given them.

Subd. 2. "Commissioner" means the commissioner of the department of economic development.

Subd. 3. "Senior citizen" means any person over the age of 65 years.

Sec. 4. Subdivision 1. The department of economic development shall designate three pilot projects for the employment of the handicapped or senior citizens. The projects shall be selected (a) on the basis of need for employment by the handicapped or senior citizens in an area; and (b) on the type of handicapped person or senior citizen a project will employ. Projects employing a greater range of people, from the severely handicapped to those forced into unemployment solely because of age, shall be favored.

Subd. 2. The commissioner shall grant funds to the designated projects, which funds shall be used solely to construct a building or to lease a building or equipment to be used in the employment of the handicapped or senior citizens. No project shall receive money unless over 50 percent of the persons it employs are either handicapped or senior citizens. The grants may be made only to nonprofit corporations.

Subd. 3. The commissioner shall promulgate rules and provide application forms for the three pilot projects."

Page 3, line 1, strike "3" and insert "5"

Page 3, line 4, strike "this act." and insert "sections 1 and 2 of this act. There is appropriated to the department of economic development from the general fund the sum of \$100,000 for the biennium ending June 30, 1977, for the purposes of sections 3 and 4 of this act."

Page 3, line 5, strike "4" and insert "6"

Further, amend the title as follows:

Page 1, line 3, after the semicolon insert "providing assistance to certain employers of the handicapped or senior citizens;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 20 and nays 25, as follows:

Those who voted in the affirmative were:

Ashbach	Blatz	Hanson, R.	Knutson	Pillsbury
Bang	Dunn	Jensen	Kowalczyk	Renneke
Berg	Frederick	Josefson	O'Neill	Sillers
Bernhagen	Hansen, Mel	Kirchner	Patton	Stassen

Those who voted in the negative were:

Anderson	Conzemius	Humphrey	Olhoft	Solon
Arnold	Davies	Kleinbaum	Olson, A. G.	Spear
Borden	Gearty	Laufenburger	Olson, H. D.	Stumpf
Chenoweth	Hansen, Baldy	Merriam	Perpich, A. J.	Tennessee
Coleman	Hughes	Milton	Perpich, G.	Willet

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

S. F. No. 1644 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Josefson	Olhoft	Sillers
Arnold	Dunn	Kirchner	Olson, A. G.	Solon
Ashbach	Frederick	Kleinbaum	Olson, H. D.	Spear
Bang	Gearty	Knutson	O'Neill	Stassen
Berg	Hansen, Baldy	Kowalczyk	Patton	Stumpf
Bernhagen	Hansen, Mel	Laufenburger	Perpich, A. J.	Tennessee
Blatz	Hansen, R.	Merriam	Perpich, G.	Ueland
Chenoweth	Hughes	Milton	Pillsbury	Wegener
Coleman	Humphrey	Moe	Purfeerst	Willet
Conzemius	Jensen	Ogdahl	Renneke	

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

#### SPECIAL ORDER

S. F. No. 2127: A bill for an act relating to civil actions; awarding costs and attorneys fees to a party in frivolous cases; amending Minnesota Statutes 1974, Chapter 549, by adding a section.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Josefson	Olhoff	Sillers
Arnold	Dunn	Kirchner	Olson, A. G.	Solon
Ashbach	Frederick	Kleinbaum	Olson, H. D.	Spear
Bang	Gearty	Knutson	O'Neill	Stumpf
Berg	Hansen, Baldy	Kowalczyk	Patton	Tennessee
Bernhagen	Hansen, Mel	Laufenburger	Perpich, A. J.	Ueland
Blatz	Hughes	Merriam	Perpich, G.	Wegener
Coleman	Humphrey	Milton	Pillsbury	Willet
Conzemius	Jensen	Moe	Renneke	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2452: A bill for an act relating to juries; providing that persons 70 years of age or younger may serve on juries; amending Minnesota Statutes 1974, Section 628.43.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 46 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kirchner	Olhoff	Spear
Arnold	Dunn	Kleinbaum	Olson, A. G.	Stumpf
Ashbach	Frederick	Knutson	Olson, H. D.	Tennessee
Bang	Gearty	Kowalczyk	Patton	Ueland
Berg	Hansen, Baldy	Laufenburger	Perpich, G.	Wegener
Bernhagen	Hansen, Mel	McCutcheon	Pillsbury	Willet
Blatz	Hughes	Merriam	Purfeerst	
Coleman	Jensen	Milton	Renneke	
Conzemius	Josefson	Moe	Sillers	
Davies	Keefe, S.	Ogdahl	Solon	

Mr. Perpich, A. J. voted in the negative.

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2313: A bill for an act relating to commitment and discharge of inebriate persons; limiting length of commitment for inebriates; amending Minnesota Statutes 1974, Section 253A.07, Subdivision 25; Minnesota Statutes, 1975 Supplement, Sections 253A.-07, Subdivision 17; and 253A.15, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Berg	Conzemius	Frederick	Jensen
Arnold	Bernhagen	Davies	Gearty	Josefson
Ashbach	Blatz	Doty	Hansen, Mel	Keefe, S.
Bang	Coleman	Dunn	Hughes	Kirchner

Kleinbaum	Milton	O'Neill	Renneke	Ueland
Knutson	Moe	Patton	Sillers	Wegener
Kowalczyk	Ogdahl	Perpich, A. J.	Solon	Willet
Laufenburger	Olhoft	Perpich, G.	Spear	
McCutcheon	Olson, A. G.	Pillsbury	Stumpf	
Merriam	Olson, H. D.	Purfeerst	Tennessee	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2430: A bill for an act relating to jurisdiction over federal lands; permitting acceptance by the state of retrocession of jurisdiction over federal lands by federal agencies; amending Minnesota Statutes 1974, Section 1.043.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 44 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Ogdahl	Renneke
Arnold	Frederick	Kleinbaum	Olhoft	Sillers
Ashbach	Gearty	Knutson	Olson, A. G.	Solon
Berg	Hansen, Baldy	Kowalczyk	Olson, H. D.	Spear
Bernhagen	Hansen, Mel	Laufenburger	O'Neill	Stumpf
Blatz	Hughes	McCutcheon	Patton	Tennessee
Coleman	Jensen	Merriam	Perpich, G.	Ueland
Davies	Josefson	Milton	Pillsbury	Wegener
Doty	Keefe, S.	Moe	Purfeerst	

Messrs. Borden and Willet voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 2248: A bill for an act relating to juveniles; providing limitations on procedures for juvenile detention; providing definitions; setting standards; amending Minnesota Statutes 1974, Sections 260.015, by adding subdivisions; 260.101; 260.171, Subdivisions 1, 2, and by adding subdivisions; 641.14; and Chapter 260, by adding sections; repealing Minnesota Statutes 1974, Sections 260.171, Subdivision 3; and 260.175.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Olson, A. G.	Schrom
Arnold	Doty	Kleinbaum	Olson, H. D.	Sillers
Ashbach	Dunn	Kowalczyk	O'Neill	Solon
Bang	Gearty	Laufenburger	Patton	Spear
Berg	Hansen, Baldy	McCutcheon	Perpich, A. J.	Stumpf
Bernhagen	Hansen, Mel	Merriam	Pillsbury	Tennessee
Blatz	Hughes	Milton	Purfeerst	Ueland
Coleman	Humphrey	Moe	Renneke	Wegener
Conzemius	Jensen	Olhoft	Schmitz	Willet

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2039: A bill for an act relating to insurance; reporting of certain professional liability judgments or settlements.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Kowalczyk	Perpich, A. J.	Spear
Arnold	Hansen, Baldy	McCutcheon	Perpich, G.	Stassen
Ashbach	Hansen, Mel	Merriam	Pillsbury	Stumpf
Bang	Hughes	Milton	Purfeerst	Tennessee
Bernhagen	Humphrey	Moe	Renneke	Wegener
Conzemius	Jensen	Olhoft	Schmitz	Willet
Davies	Josefson	Olson, H. D.	Schrom	
Doty	Keefe, S.	O'Neill	Sillers	
Dunn	Kleinbaum	Patton	Solon	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2278: A bill for an act relating to appropriations; converting certain standing appropriations to direct appropriations; abolishing other standing appropriations; appropriating money; amending Minnesota Statutes 1974, Sections 9.061, Subdivision 5; 97.482, Subdivision 2; 638.08; and Laws 1971, Chapter 121, Section 2, as amended; repealing Minnesota Statutes 1974, Sections 7.07; 136.821; Minnesota Statutes, 1975 Supplement, Sections 123.937; 144.146, Subdivision 2; Laws 1973, Chapter 768, Section 23; and Laws 1975, Chapter 433, Section 20.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kowalczyk	Patton	Spear
Arnold	Gearty	McCutcheon	Perpich, A. J.	Stassen
Ashbach	Hansen, Baldy	Merriam	Perpich, G.	Stumpf
Bang	Hansen, Mel	Milton	Pillsbury	Tennessee
Berg	Hughes	Moe	Purfeerst	Wegener
Bernhagen	Humphrey	Ogdahl	Renneke	Willet
Borden	Jensen	Olhoft	Schmitz	
Conzemius	Josefson	Olson, A. G.	Schrom	
Davies	Keefe, S.	Olson, H. D.	Sillers	
Doty	Kleinbaum	O'Neill	Solon	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 1704: A bill for an act relating to motor vehicles; defining terms; providing for the licensure and regulation of certain motor

vehicle dealers; prescribing penalties; appropriating money; amending Minnesota Statutes 1974, Section 168.27.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 40 and nays 3, as follows:

Those who voted in the affirmative were:

Bang	Gearty	Merriam	Patton	Solon
Bernhagen	Hansen, Mel	Milton	Perpich, A. J.	Spear
Blatz	Hughes	Moe	Perpich, G.	Stassen
Coleman	Humphrey	Ogdahl	Pillsbury	Stumpf
Conzemius	Jensen	Olhoft	Purfeerst	Tennessee
Davies	Keefe, S.	Olson, A. G.	Renneke	Ueland
Doty	Kleinbaum	Olson, H. D.	Schmitz	Wegener
Dunn	McCutcheon	O'Neill	Sillers	Willet

Messrs. Ashbach; Hansen, Baldy and Kowalczyk voted in the negative.

So the bill passed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Spear moved that S. F. No. 2366 be stricken from General Orders and re-referred to the Committee on Judiciary. The motion prevailed.

#### RECONSIDERATION

Mr. Humphrey moved that the vote whereby H. F. No. 500 failed to pass the Senate on March 18, 1976, be now reconsidered. The motion prevailed.

H. F. No. 500: A bill for an act relating to energy; energy commission, public members; providing for compensation and reimbursement of traveling and other expenses; amending Minnesota Statutes 1974, Section 116H.04, Subdivision 2.

Mr. McCutcheon moved to amend H. F. No. 500, as amended by the Committee on Governmental Operations adopted by the Senate, on March 12, 1976, as follows:

Strike the McCutcheon amendment adopted by the Senate March 18, 1976, and strike the Conzemius amendment to the McCutcheon amendment, and amend as follows:

Underline all the language in Section 1

After Section 1, insert:

“Sec. 2. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

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

*in buildings including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and the alternative sources of energy.*

Sec. 3. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

*Subd. 10. Before January 1, 1980, the commissioner of administration, in cooperation with the director, shall survey all buildings owned by the state of Minnesota which are heated by oil or interruptable natural gas units, including buildings and associated facilities of the state university system, the community college system, the Minnesota historical society building and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, or highways, to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications, or changes in building structures and systems. If the commissioner determines, based upon a formula specified by the director, that a modification is economically feasible, in that estimated savings in fuel procurement cost will exceed the cost of the modification amortized over the remaining useful life of the building, he shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. Before January 1, 1977, the commissioner shall submit a progress report to the legislature indicating the number and percentage of state-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, and his preliminary findings, recommendations, and priorities for implementing the economically feasible modifications based upon the continuing survey.*

Sec. 4. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

*Subd. 11. Before January 1, 1980, the university of Minnesota, after consultation with the director, shall survey all buildings and associated facilities of the university of Minnesota which are heated by oil or interruptable gas units to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications, or changes in building structures and systems. If the university determines, based upon a formula specified by the director, that a modification is economically feasible, in that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. Before January 1, 1977, the university shall submit a progress report to the legislature indicating the number and percentage of university-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications based upon the continuing survey.*

Sec. 5. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.121] [ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS.] *Before July 1, 1977, the commissioner of administration, in consultation with the director, shall amend the rules concerning heat loss, illumination, and climate control standards promulgated pursuant to Minnesota Statutes, 1975 Supplement, Section 116H.12, Subdivision 4, to apply to all existing buildings heated by oil or interruptable gas units owned by the state, the university of Minnesota, any city, any county, and any school district.*

Sec. 6. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.122] [INSPECTIONS AND FUEL COST ESTIMATES.] *Before July 1, 1978, each city council and county board of commissioners shall complete an inspection of all existing city-owned or county-owned buildings within their respective jurisdictions which are heated by oil or interruptable natural gas units. The inspection shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 5 of this act. A council or board may contract with any municipal building official appointed pursuant to Minnesota Statutes, Section 16.861, or the state building inspector to perform the energy conservation inspection. Each board and council shall estimate, based upon a formula specified by the director, the annual potential savings in fuel procurement costs for existing heating and cooling systems which would be realized for each county or city-owned building if it were improved to comply with the energy conservation standards. Each council or board shall file the energy conservation inspection and estimated fuel procurement data for each city or county-owned building within its respective boundaries with the director of the Minnesota energy agency before December 31, 1978, for his review and comment.*

Sec. 7. Minnesota Statutes 1974, Section 120.78, is amended by adding a subdivision to read:

*Subd. 3. Before November 15, 1976, the commissioner of education shall analyze the reports and plans required in subdivisions 1 and 2 and submit a report to the legislature concerning the energy efficiency of school buildings owned or operated by all school districts and recommend proposed legislation concerning energy conservation measures for school buildings.*

Sec. 8. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

[120.781] [INSPECTIONS.] *Before July 1, 1978, each board shall complete an inspection of all existing public school buildings which it owns or operates that are heated by oil or interruptable gas units in order to determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 5 of this act. The results of the energy conservation inspection shall be recorded on a form*

furnished by the director of the Minnesota energy agency. A board may contract with any municipal building official appointed pursuant to Minnesota Statutes, Section 16.861 or the state building inspector to perform the energy conservation inspection. Each board shall estimate the annual savings in fuel procurement costs for existing heating and cooling systems which would be realized for each public school building within the district if it were improved to comply with the energy conservation standards, based upon a formula specified by the director of the Minnesota energy agency.

Each board shall file the energy conservation inspection and estimated fuel procurement data for each public school building within the district with the director of the Minnesota energy agency before December 31, 1978, for his review and comment.

Sec. 9. [APPROPRIATION.] There is appropriated from the general fund \$158,000 to the commissioner of administration, \$8,000 for promulgation of the rules required by section 5 of this act, and \$150,000 to comply with section 3 of this act. There is appropriated from the general fund \$100,000 to the director of the Minnesota energy agency, \$50,000 to establish and maintain the energy conservation information center pursuant to section 2, and \$50,000 to contract for infrared aerial photographs, at least 50 percent of which shall be conducted outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2. These appropriations shall not cancel and shall be available until completely expended."

Renumber the sections in sequence

Amend the title amendment as follows:

Line 2 of the title amendment, before the period, insert "establishing an energy conservation information center; requiring the commissioner of administration to complete certain energy conservation modifications to state buildings; authorizing the commissioner of administration to promulgate rules concerning energy conservation and physical improvements for public buildings; appropriating money; amending Minnesota Statutes 1974, Chapters 116H, by adding sections; 120, by adding a section; and Sections 116H.12, by adding subdivisions; and 120.78, by adding a subdivision"

The motion prevailed. So the amendment was adopted.

H. F. No. 500 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 43 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Humphrey	McCutcheon	Olson, A. G.
Bang	Doty	Jensen	Merriam	Olson, H. D.
Bernhagen	Dunn	Josefson	Milton	O'Neill
Blatz	Gearty	Keefe, S.	Moe	Patton
Borden	Hansen, Mel	Kleinbaum	Ogdahl	Perpich, A. J.
Coleman	Hughes	Kowalczyk	Olhoff	Perpich, G.

Pillsbury	Schmitz	Solon	Tennessee	Willet
Purfeerst	Schrom	Spear	Ueland	
Renneke	Sillers	Stumpf	Wegener	

Messrs. Berg and Hansen, Baldy voted in the negative.

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

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Anderson moved that S. F. No. 1964, No. 20 on General Orders, be stricken and returned to the author. The motion prevailed.

Mr. Anderson moved that H. F. No. 1130 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration. The motion prevailed.

Mr. Keefe, S. moved that S. F. No. 1908, No. 87 on General Orders, be stricken and returned to the author. The motion prevailed.

Mr. Keefe, S. moved that S. F. No. 1728, No. 89 on General Orders, be stricken and returned to the author. The motion prevailed.

Mr. Purfeerst moved that S. F. No. 2509, No. 31 on General Orders, be stricken and returned to the author. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Messages From the House, First Reading of House Bills, Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills. The motion prevailed.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 932, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 932: A bill for an act relating to public welfare; permitting the commissioner of public welfare to establish maximum fees for congregate living care under the income maintenance programs; amending Minnesota Statutes 1974, Section 256.01, Subdivision 2.

Senate File No. 932 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 19, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted:

H. F. Nos. 2201, 2678, 2677, 1735 and 2203.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 19, 1976

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1735: A bill for an act relating to the metropolitan council; providing for a levy; providing for the reimbursement of costs of the council relating to metropolitan commissions; amending Minnesota Statutes 1974, Chapter 473, by adding a section; Minnesota Statutes, 1975 Supplement, Section 473.249, Subdivision 1.

Referred to the Committee on Metropolitan and Urban Affairs.

H. F. No. 2203: A bill for an act relating to medical assistance for the needy; establishing guidelines for reimbursement of medical services furnished by nursing homes; prescribing certain responsibilities for the department of public welfare.

Referred to the Committee on Rules and Administration.

H. F. No. 2201: A bill for an act relating to the state planning agency; providing additional responsibilities for the state demographer; providing for implementation of federal law permitting the state to design a plan for return of census data to the state; providing precinct boundaries to facilitate census data returns; appropriating money; amending Minnesota Statutes 1974, Section 4.12, Subdivision 7; and Minnesota Statutes, 1975 Supplement, Section 204A.06, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Rules and Administration.

H. F. No. 2677: A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings; appropriating money.

Referred to the Committee on Rules and Administration.

H. F. No. 2678: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature; authorizing issuance of state building bonds; appropriating money; amending Minnesota Statutes 1974, Sections 16.16, Subdivision 2; 16A.28; 137.02, Subdivision 3; repealing Laws 1973, Chapter 778, Section 20.

Referred to the Committee on Rules and Administration.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1330: A bill for an act relating to labor; directing the commissioner of labor and industry to enforce the prohibition against administering polygraph tests to employees; prescribing penalties; amending Minnesota Statutes 1974, Section 181.75; repealing Minnesota Statutes 1974, Section 181.77.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, strike "request" and insert "induce"

Page 1, line 17, after "employee" insert "*nor shall any person knowingly sell to or interpret for an employer or agent thereof such a test*"

Page 1, line 18, after "person" insert "*knowingly*"

Page 1, line 19, strike "*such*"

Page 1, line 20, after the period, insert "*Any employer or agent thereof informing an individual of the availability of this test shall also inform him that his taking the test is voluntary.*"

Page 1, line 23, strike "*such*" and insert "*any*"

Page 1, line 23, strike "*as is*"

Page 2, line 12, strike "*or is about to be violated,*"

Page 2, line 19, strike "*and*" and insert "*to*"

Page 2, line 20, after "*recover*" insert "*any and all*"

Page 2, line 20, after "*damages*" insert "*recoverable at law*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 1827: A bill for an act relating to health care; requiring certain insurance policies, health care plans and group subscriber contracts to provide certain benefits for out-patient treatment of alcoholism, chemical dependency or drug addiction; amending Minnesota Statutes 1974, Section 62A.149.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 18, add a subdivision to read:

*"Subd. 3. Coverage under this section need not exceed \$3,000 per benefit year or \$6,000 per lifetime for the covered individual."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

H. F. No. 471: A bill for an act relating to condominiums; providing for registration and disclosure prior to sale; providing penalties; amending Minnesota Statutes 1974, Section 83.26, Subdivision 1; and repealing Minnesota Statutes 1974, Chapter 515.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 515, is amended by adding a section to read:

[515.175] [INCORPORATION OF ASSOCIATION.] *Subsequent to July 1, 1976, an association of apartment owners shall be incorporated under Chapter 317 before the declaration is recorded.*

Sec. 2. Minnesota Statutes 1974, Section 515.19, is amended to read:

515.19 [CONTENTS OF BYLAWS.] *Subdivision 1.* The by-laws may provide for the following:

(a) The election from among the apartment owners of a board of directors, the number of persons constituting the same, and that the terms of at least one third of the directors shall expire annually; the powers and duties of the board; the compensation, if any, of the directors; the method of removal from office of directors; and whether or not the board may engage the services of a manager or managing agent.

(b) Method of calling meetings of the apartment owners; what percentage, if other than a majority of apartment owners, shall constitute a quorum.

(c) Election of a president from among the board of directors who shall preside over the meetings of the board of directors and of the association of apartment owners.

(d) Election of a secretary who shall keep the minute book wherein resolutions shall be recorded.

(e) Election of a treasurer who shall keep the financial records and books of account.

(f) Maintenance, repair and replacement of the common areas and facilities and payments therefor, including the method of approving payment vouchers.

(g) Manner of collecting from the apartment owners their share of the common expenses.

(h) Designation and removal of personnel necessary for the maintenance, repair and replacement of the common areas and facilities.

(i) Method of adopting and of amending administrative rules and regulations governing the details of the operation and use of the common areas and facilities.

(j) Such restrictions on and requirements respecting the use and maintenance of the apartments and the use of the common areas and facilities, not set forth in the declaration, as are designed to prevent unreasonable interference with the use of their respective apartments and of the common areas and facilities by the several apartment owners.

(k) The percentage of votes required to amend the bylaws.

(l) Other provisions as may be deemed necessary for the administration of the property consistent with sections 515.01 to 515.29.

*Subd. 2.* The bylaws shall provide that the association of apartment owners shall meet at least once each year. The bylaws shall specify an officer who shall, at least 21 days in advance of any annual or regularly scheduled meeting and at least seven days in advance of any other meeting, send to each apartment owner notice of the time, place and complete agenda of the meeting. The notice shall be sent by United States mail to all apartment owners of record at the address of their respective apartments and to other addresses as any of them may have designated to the officer.

Sec. 3. Minnesota Statutes 1974, Chapter 515, is amended by adding a section to read:

[515.195] [RESTRICTIONS ON CONTROL OF CREATOR OF THE CONDOMINIUM.] *Subdivision 1. At the first annual meeting subsequent to the earlier of (a) 5 years from the date of recording the declaration or (b) when three-fifths of the apartment owners are other than the owner who submits the property to the provisions of chapter 515, the terms of office of all then existing officers and directors shall terminate.*

*Subd. 2. No contract, lease, management contract, employment contract, or lease of recreational areas or facilities, which is directly or indirectly made by or on behalf of the association of apartment owners shall be entered into for a period exceeding two years.*

Sec. 4. Minnesota Statutes 1974, Chapter 515, is amended by adding a section to read:

[515.215] [DISCLOSURE REQUIREMENTS.] *Subdivision 1. Not later than 15 days prior to the closing of the first conveyance of each apartment, the vendor shall furnish to the purchaser the following:*

- (1) The purchase agreement for the apartment;*
- (2) A copy of the declaration and bylaws;*
- (3) A copy of the articles of incorporation of the association of apartment owners;*
- (4) A copy of any management contract, employment contract, or other contract affecting the use, maintenance, or access of all or part of the condominium;*
- (5) A copy of the annual operating budget for the condominium including reasonable details concerning the monthly payments by the purchaser for assessments, and monthly charges for the use, rental, or lease of any facilities;*
- (6) A copy of any lease to which it is anticipated the apartment owners or the association of apartment owners will be a party following closing;*
- (7) A copy of the floor plan of the apartment;*
- (8) A description of any recreational or other facilities which are to be used by the apartment owners and maintained by them or by the association of apartment owners and a statement as to whether or not they are to be part of the common areas and facilities;*
- (9) A statement as to whether streets within the condominium are to be dedicated to public use or maintained by the association of apartment owners; and*
- (10) In the case of condominiums containing buildings substantially complete more than five years prior to the recording of the declaration, a statement of the physical condition and state of repair of the major structural, mechanical, electrical, and plumbing components of the improvements to the extent reasonably ascertainable. The vendor is entitled to rely on the reports of architects or engineers authorized to practice their profession in this state.*

*Subd. 2. Any material furnished pursuant to subdivision 1 may not be changed or amended following delivery to the purchaser, if the change or amendment would affect materially the rights of the purchaser, without first obtaining approval of the purchaser. A copy of any amendments shall be delivered promptly to the purchaser.*

*Subd. 3. Any vendor who, in disclosing the information required pursuant to subdivisions 1 and 2, makes any untrue statement of a material fact, or omits to state a material fact necessary in order to make the statements made, in the light of circumstances under which they were made, not misleading, shall be liable to any person purchasing an apartment from him. However, no action may be maintained to enforce any liability created under this section unless brought within three years after the date of closing.*

*Subd. 4. The rights of purchasers under this section may not be waived in the purchase agreement and any attempted waiver is void. However, if any purchaser proceeds to closing, his right under this section to rescind is terminated.*

*Subd. 5. The requirements of this section do not apply to the sale of any unit which is to be occupied and used for nonresidential purposes.*

*Subd. 6. (a) A purchaser has an unconditional right to rescind a purchase agreement at any time within five days after the date the purchaser receives all the information contained in subdivision 1.*

*(b) Each purchase agreement shall prominently contain upon its face the following notice printed in bold type, stating:*

**"Notice to Purchaser**

*You are entitled to rescind this agreement at any time within five days from the day you actually receive the information required by law. Such rescission must be in writing and mailed to the vendor or his agent or his lender at the address stated in this document. Upon rescission, you will receive a refund of all monies paid."*

*(c) Rescission occurs when the purchaser gives written notice of rescission to the vendor or his agent, or the lender at the address stated in the purchase agreement. Notice of rescission, if given by mail, is effective when it is deposited in a mailbox properly addressed and postage prepaid.*

*Subd. 7. When the purchase agreement relates to a condominium not yet formed, the applicable information required by subdivision 1 may be a proposed form."*

Amend the title as follows:

Page 1, line 2, strike "providing for registration"

Strike lines 3 to 6, and insert "regulating the association of apartment owners; requiring certain disclosure before initial sale of apartments; amending Minnesota Statutes 1974, Section 515.19; and Chapter 515, by adding sections."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 2364: A bill for an act relating to the administration of criminal justice; transferring primary investigatory jurisdiction in correctional institutions to the bureau of criminal apprehension; providing that the attorney general shall prosecute certain criminal offenses arising on the premises of adult correctional institutions; amending Minnesota Statutes 1974, Sections 8.01; 299C.03; 387.03; and 388.05.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 1963: A bill for an act relating to the operation of state government; raising base salaries for certain executive branch employees, constitutional officers, judges and judicial branch employees; limiting possible increases for certain executive branch employees; removing per diems and providing expenses for legislators; requiring political subdivisions of the state to report certain salaries; providing for a report by the personnel board; amending Minnesota Statutes 1974, Sections 15A.081, by adding a subdivision; 15A.083, as amended; 43.062, Subdivision 3; and 43.067; and Chapter 43, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 3.102; and 15A.081, Subdivision 1; repealing Minnesota Statutes 1974, Sections 3.101; 3.103; 15A.081, Subdivisions 1a and 4; 43.066; 43.069; and 487.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 29, strike "\$44,000" and insert "\$40,000"

Page 2, line 1, strike "35,200" and insert "32,000"

Page 2, line 3, strike "26,000" and insert "24,000"

Page 2, line 5, strike "32,000" and insert "30,000"

Page 2, line 6, strike "25,600" and insert "23,000"

Page 2, line 9, strike "36,800" and insert "34,000"

Page 2, line 12, strike "23,600" and insert "22,000"

Page 2, line 14, strike "26,000" and insert "27,000"

Page 2, line 15, strike "26,000" and insert "27,000"

Page 2, line 16, strike "26,000" and insert "27,000"

Page 2, line 18, strike "35,500" and insert "36,000"

Page 2, line 20, strike "36,000" and insert "32,000"

Page 2, line 21, strike "28,800" and insert "25,000"

Page 2, line 23, strike "26,000" and insert "24,000"

Page 2, line 24, strike "21,600" and insert "19,500"  
Page 2, line 26, strike "39,000" and insert "36,000"  
Page 2, line 27, strike "31,200" and insert "29,000"  
Page 2, line 29, strike "34,500" and insert "32,000"  
Page 2, line 31, strike "31,000" and insert "28,000"  
Page 2, line 32, strike "24,800" and insert "21,000"  
Page 3, line 2, strike "43,000" and insert "40,000"  
Page 3, line 3, strike "34,400" and insert "31,000"  
Page 3, line 7, strike "39,000" and insert "36,000"  
Page 3, line 8, strike "31,200" and insert "29,000"  
Page 3, line 10, strike "35,000" and insert "30,000"  
Page 3, line 12, strike "35,500" and insert "29,000"  
Page 3, line 15, strike "41,000" and insert "39,000"  
Page 3, line 16, strike "32,800" and insert "30,000"  
Page 3, line 18, strike "31,000" and insert "28,000"  
Page 3, line 20, strike "25,500" and insert "23,000"  
Page 3, line 21, strike "20,400" and insert "19,000"  
Page 3, line 23, strike "22,000" and insert "19,000"  
Page 3, line 28, strike "25,000" and insert "23,000"  
Page 3, line 29, strike "20,000" and insert "18,000"  
Page 3, line 31, strike "32,000" and insert "29,000"  
Page 3, line 32, strike "25,600" and insert "23,000"  
Page 4, line 2, strike "35,000" and insert "29,000"  
Page 4, line 3, strike "26,000" and insert "24,000"  
Page 4, line 9, strike "37,000" and insert "34,000"  
Page 4, line 10, strike "29,800" and insert "26,000"  
Page 4, line 12, strike "43,000" and insert "37,000"  
Page 4, line 13, strike "34,400" and insert "29,000"  
Page 4, line 15, strike "34,500" and insert "30,000"  
Page 4, line 17, strike "31,000" and insert "29,000"  
Page 4, line 18, strike "24,800" and insert "22,000"  
Page 4, line 20, strike "34,500" and insert "32,000"  
Page 4, line 21, strike "27,600" and insert "25,000"  
Page 4, line 24, strike "28,600" and insert "26,000"  
Page 4, line 25, strike "26,000" and insert "24,000"

Page 4, line 27, strike “41,000” and insert “38,000”

Page 4, line 28, strike “32,800” and insert “29,000”

Page 4, line 30, strike “36,000” and insert “34,000”

Page 4, line 31, strike “28,800” and insert “26,000”

Page 5, line 2, strike “22,000” and insert “18,000”

Page 5, line 7, strike “22,000” and insert “18,500”

Page 5, line 9, strike “25,000” and insert “20,000”

Page 7, line 31, strike everything after the period

Page 7, strike line 32

Page 8, strike lines 1 to 4

Page 8, line 18, strike the second “4” and insert “2”

Page 8, line 25, strike “\$49,000” and insert “\$41,000”

Page 8, line 26, strike “46,000” and insert “36,500”

Page 8, line 27, strike “36,000” and insert “30,000”

Page 8, line 28, strike “29,500” and insert “26,000”

Page 8, line 29, strike “27,500” and insert “25,000”

Page 8, line 30, strike “27,500” and insert “25,000”

Page 9, line 7, strike “49,000” and insert “45,000”

Page 9, line 8, strike “46,000” and insert “42,000”

Page 9, line 9, strike “37,500” and insert “36,000”

Page 9, line 29, after the comma strike the new language and insert “*judge of municipal court of Hennepin county, and judge of municipal court of Ramsey county*”

Page 9, strike lines 30 and 31

Page 9, line 32, reinstate the stricken “(learned in the law)”

Page 9, line 32, strike “\$35,000” and insert “\$32,000”

Page 10, line 1, reinstate the stricken language

Page 10, line 2, reinstate the stricken “(not learned in the law)”

Page 10, line 2, after “21,000” insert “26,000”

Page 10, line 25, strike the new language and reinstate the stricken language

Pages 11 and 12 strike Article IV

Renumber the remaining Article

Page 12, line 4, strike “*Subdivision 1.*”

Page 12, strike lines 7 through 11

Further, amend the title as follows:

Page 1, line 4, strike "constitutional officers,"

Page 1, strike line 7

Page 1, line 8, strike "legislators;"

Page 1, line 11, strike ", by"

Page 1, line 12, strike "adding a subdivision"

Page 1, line 15, strike "Sections 3.102; and" and insert "Section"

Page 1, line 17, strike "3.101; 3.103;"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2126: A bill for an act relating to the legislature; establishing an advisory council on the economic status of women; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 20, strike "\$125,000" and insert "\$95,000"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted.  
Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2032: A bill for an act relating to public welfare; establishing pilot programs for community mental health treatment; appropriating money; amending Minnesota Statutes 1974, Chapter 245, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "*or mentally*"

Page 1, line 14, strike "*deficient*"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2460: A bill for an act relating to the bicentennial; appropriating money to the Minnesota American Revolution Bicentennial Commission.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 13, insert:

"Sec. 2. The Minnesota American Revolution Bicentennial Commission shall terminate December 1, 1976."

Renumber the remaining section.

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2293: A bill for an act relating to aeronautics; appropriating and transferring money for construction of hangars.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2014: A bill for an act relating to retirement; increasing certain benefits and annuities; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 9, strike "\$19,851,133" and insert "\$19,852,833"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 1579: A bill for an act relating to legal assistance; providing state aid to certain legal assistance corporations; appropriating money.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2309: A bill for an act relating to retirement; distribution of state aid to policemen's relief associations; volunteer firemen's lump sum and monthly benefits; amending Minnesota Statutes 1974, Sections 69.011, Subdivisions 1, 2, and 4; 69.021, Subdivisions 5, 6 and 7; 69.031, Subdivision 5; and 69.06.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 652: A bill for an act relating to the organization, operation and financing of state government; establishing an indirect cost billing system; requiring revolving fund billing rates to be determined by the commissioner of finance; transferring certain powers and duties relating to finance and recordation from and to the department of finance; appropriating money; amending the expense provisions for district court judges; amending Minnesota Statutes 1974, Sections 3.30, Subdivision 2; 15.191, Subdivision 2; 16A.055; 16A.129; 16A.15, Subdivision 3; 16A.17, Subdivisions 1, 4, 5, 6, 7, and by adding a sub-

division; 16A.28; 84A.04; 93.12; 276.09; 276.10; 293.10; 348.04; 379.05; 379.07; 379.09; 385.21; 473F.07, Subdivisions 1 and 2; Chapter 16, by adding a section; and Chapter 16A, by adding sections; Minnesota Statutes, 1975 Supplement, Section 484.54; repealing Minnesota Statutes 1974, Sections 3.30, Subdivision 2a; 10.16; 16.141; 16.16; 16.161; 16.164; 16.18; 16.19; 16A.09; 16A.125, Subdivisions 1, 2, 3, 7, 8, 9, and 10; 16A.17, Subdivision 2; and 136.06.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2288: A bill for an act relating to Indian affairs; renaming the board on Indian Affairs; providing a change in membership for the board; creating an advisory council; changing the duties of the board; amending Minnesota Statutes 1974, Section 3.922, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Page 9, after line 16, insert:

*"Sec. 2. This act is effective the day following its final enactment."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2560: A bill for an act relating to state university employees; approving wage and economic fringe benefit agreements between the state and certain employees of the state university system; amending Minnesota Statutes 1974, Chapter 136, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 43.12, Subdivision 17.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 814: A bill for an act relating to the organization and operation of state government; education; changing the membership of the higher education coordinating board; establishing new duties for the board; providing per diem, removing an advisory agency from statute; appropriating money; amending Minnesota Statutes 1974, Sections 136A.02, Subdivisions 1, 2, and 4; 136A.07; and Minnesota Statutes, 1975 Supplement, Sections 136A.04 and 136A.05; repealing Minnesota Statutes 1974, Section 136A.02, Subdivision 6.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2122: A bill for an act relating to energy conservation;

establishing an energy conservation information center; requiring the commissioner of administration to complete certain energy conservation modifications to state buildings; authorizing the commissioner of administration to promulgate rules concerning energy conservation physical improvements for public school, state, city, and county buildings; requiring the inspection of certain public buildings; authorizing the issuance of bonds for energy conservation improvements; appropriating money; amending Minnesota Statutes 1974, Chapters 116H, by adding sections; and 120, by adding sections; and Sections 116H.12, by adding subdivisions; and 120.78, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

H. F. No. 1293: A bill for an act relating to educational television; providing grants for instructional television stations serving Minnesota; providing for local supervision of grant expenditures.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "educational" and insert "public"

Page 1, line 9, strike "supplementary learning" and insert "community"

Page 1, line 9, after "for" insert "the"

Page 1, lines 9 and 10, strike "and private elementary and secondary schools"

Page 1, line 11, strike "educational" and insert "public"

Page 1, line 12, strike "students" and insert "citizens"

Page 1, line 13, strike "school officials, educational" and insert "public" and delete the comma at the end of the line

Page 1, line 14, after "state" strike the remainder of the line and insert "arts board"

Page 1, line 15, strike everything before the period

Page 1, line 19, strike "Educational" and insert "Public"

Page 1, line 21, after "television" insert "broadcast"

Page 2, strike lines 1 to 20

Page 2, line 21, strike "ITV council"

Page 2, line 22, strike "board of education" and insert "arts board"

Page 2, lines 22 and 23, strike "to ITV councils in each service area"

Page 2, lines 23 and 24, strike "The council" and insert "Twice annually the state arts board"

Page 2, lines 24 and 25, strike "to the educational station in its service area"

Page 2, line 26, after "costs" insert "to educational stations to the extent and in the amount the educational station matches Minnesota based contributions, on a dollar for dollar basis"

Pages 2 and 3, strike all of Subd. 2. and insert a new Subd. 2 to read:

"Subd. 2. In calculating the amount of contributions that must be matched by a public station pursuant to subdivision 1, contributions, whether monetary or in kind, from the corporation for public broadcasting, from tax generated public or private elementary and secondary schools, and from all sources based outside the state shall be excluded. The state arts board shall make payments in such a manner that eligible public stations receive as equal an amount as consistent with this section. No payments shall be made to a public station located in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington."

Page 3, line 12, strike "ITV council" and insert "educational station receiving a grant"

Page 3, line 13, after "state" insert "arts" and strike "of education"

Page 3, lines 14 and 15 strike "school" and insert "fiscal"

Page 3, line 15, after the period insert "The report shall be certified by an independent auditor or a certified public accountant. If the report is not submitted by September 1, the state arts board may withhold from the educational station 45 percent of the amount to which it was entitled based upon the contribution of the previous fiscal year, and may redistribute those funds to other educational stations."

Page 3, after line 15 insert:

"Subd. 4. In designating the state arts board as the administrative agency to distribute these funds, the legislature recognizes that this is strictly an administrative function unrelated to the artistic and cultural mandate of the board. In future years, the board may develop program categories and funding programs in television, film and other public media, which shall not be limited, prohibited or otherwise affected by the board's serving the specific administrative functions under the terms of this act."

Page 3, line 17, after "the" and before "board" insert "state arts"

Page 3, line 17, strike "of education"

Page 3, line 18, strike "July 1," and insert "June 30, 1977."

Page 3, strike line 19

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 2, strike "educational" and insert "public"

Page 1, line 4, strike "local"

Page 1, line 5, before the period, insert "; appropriating money"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 788: A bill for an act relating to public welfare; providing for cost of living adjustment in the standard of need of supplemental aid benefits; appropriating money; amending Minnesota Statutes 1974, Section 256D.37, Subdivision 2; and Chapter 256D, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 and 3, strike Sec. 2.

Page 3, line 6, strike "\$550,000" and insert "\$760,000"

Page 3, line 9, strike "1975" and insert "1976"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 2, strike "providing for cost of"

Page 1, strike line 3

Page 1, line 4, strike "supplemental aid benefits;"

Page 1, line 6, strike "; and Chapter 256D, by adding a"

Page 1, line 7, strike "section"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 2364, 1963, 2032, 2460, 2293, 2014, 1579, 2309, 652, 2288, 2560, 814, 2122 and 788 were read the second time.

#### SECOND READING OF HOUSE BILLS

H. F. Nos. 1330, 1827, 471 and 1293 were read the second time.

#### SPECIAL ORDER

H. F. No. 435: A bill for an act relating to the city of Two Harbors; providing for reimbursement of city officers for wages lost during time spent on official business.

Mr. Perpich, A. J., moved to amend H. F. No. 435 as follows:

Page 1, strike lines 18 to 21 and insert:

"Sec. 2. Notwithstanding any statute or rule of law to the contrary, the city of Eveleth is hereby authorized to sell at public or private sale any portion of the park lands in the city dedicated to the public as a public park in that plat known as the Highland Addition to the city of Eveleth as the plat appears of record in the office of the register of deeds of St. Louis county. All net proceeds from the sale shall be dedicated to the park fund of the city. The deeds of conveyance from the city shall be deemed to convey the title to the purchaser free of any dedication for park or recreation purposes.

Sec. 3. [EFFECTIVE DATE.] Subdivision 1. This act is effective as to the city of Two Harbors upon its approval by the governing body of the city of Two Harbors and upon compliance with Minnesota Statutes, Section 645.021.

Subd. 2. This act is effective as to the city of Eveleth upon approval by a majority of the council of the city of Eveleth and upon compliance with Minnesota Statutes, Sections 645.021."

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to the city of Two Harbors in Lake county and the city of Eveleth in St. Louis county; providing for reimbursement of officers of the city of Two Harbors for wages lost during time spent on official business; authorizing the city of Eveleth to sell certain lands dedicated to the public for park or recreation purposes."

The motion prevailed. So the amendment was adopted.

H. F. No. 435 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 41 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Kowalczyk	Perpich, G.	Stassen
Bang	Gearty	Merriam	Pillsbury	Stumpf
Berg	Hansen, Baldy	Milton	Purfeerst	Tennessee
Bernhagen	Hansen, Mel	Ogdahl	Renneke	Ueland
Blatz	Hughes	Olhoff	Schmitz	Willet
Borden	Jensen	Olson, A. G.	Schrom	
Coleman	Josefson	O'Neill	Sillers	
Conzemius	Kleinbaum	Patton	Solon	
Dunn	Knutson	Perpich, A. J.	Spear	

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

#### SPECIAL ORDER

H. F. No. 2518: A bill for an act relating to the city of Hastings; removing certain restrictions on the use of certain lands conveyed by the state to the city; amending Extra Session Laws 1967, Chapter 18, Section 2.

Mr. Conzemius moved to amend H. F. No. 2518 as follows:

Page 2, strike lines 2 through 5 and insert:

*“Sec. 2. Notwithstanding Minnesota Statutes, Chapter 375A, or any other law to the contrary the polling hours for any election in Dakota county expanding the number of county board members from 5 to 7 shall be from 7 a.m. to 8 o'clock p.m. and the apportionment of the county into districts shall be based on the state demographer's estimates of the population of Dakota county rather than the last decennial census.*

Sec. 3. Laws 1967, Chapter 112, Section 1, is amended to read:

Section 1. [DAKOTA COUNTY; LEAGUE OF MUNICIPALITIES.] In Dakota county, the following cities, villages, and towns are hereby empowered to participate in the organization of the Dakota County League of Municipalities and to be members thereof: The cities of South St. Paul, West St. Paul, and Hastings, the villages of Burnsville, Inver Grove Heights, Sunfish Lake, Mendota Heights, Mendota, Lilydale, Rosemount, Coates, Lakeville, Farmington, Vermillion, Hampton, New Trier, Meisville, and Randolph, and the towns of Eagan, Lebanon, Rosemount, Nininger, Lakeville, Empire, Vermillion, Marshan, Ravenna, Eureka, Castle Rock, Hampton, Douglas, Greenvale, Waterford, Sciota, and Randolph. Each municipality may appropriate through its governing body, out of its general fund, money to pay the annual dues in the league and the actual and necessary expenses of the delegates as such governing body may designate and to contribute to the funds of the league to be used for research and other projects of similar nature relating to problems common to the several municipalities participating therein, provided, however, that the total amount of money paid by any such municipality to such league, as dues, contributions or otherwise shall not exceed five ten cents per capita based on the population of each respective municipality according to the last federal or state census; and further provided, however, the maximum cost for membership fees or league dues on the part of any municipality shall not exceed the sum of \$1,000 and the minimum amount of such dues shall be \$25 most recent estimate of the metropolitan council .

Sec. 4. [EFFECTIVE DATE.] *Subdivision 1. Section 1 of this act is effective upon its approval by the governing body of the city of Hastings, and upon compliance with the provisions of Minnesota Statutes, Section 645.021.*

*Subd. 2. Sections 2 and 3 of this act are effective upon approval by the Dakota county board of commissioners and upon compliance with Minnesota Statutes, Section 645.021.”*

Amend the title by striking it in its entirety and inserting:

*“A bill for an act relating to local government in Dakota county; removing certain restrictions on the use of certain lands conveyed by the state to the city of Hastings; election procedure for changes in certain optional forms of county government; providing for financing of the Dakota County League of Municipalities; amending Laws 1967, Chapter 112, Section 1; amending Extra Session Laws 1967, Chapter 18, Section 2.”*

The motion prevailed. So the amendment was adopted.

H. F. No. 2518 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kowalczyk	Patton	Solon
Bang	Frederick	Merriam	Perpich, A. J.	Spear
Berg	Hansen, Baldy	Milton	Perpich, G.	Stassen
Bernhagen	Hughes	Ogdahl	Pillsbury	Stumpf
Blatz	Jensen	Olhoft	Purfeerst	Tennessen
Borden	Josefson	Olson, A. G.	Schmitz	Ueland
Coleman	Kleinbaum	Olson, H. D.	Schrom	Willet
Conzemius	Knutson	O'Neill	Sillers	

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

#### SPECIAL ORDER

S. F. No. 1928: A bill for an act relating to the city of Maplewood; paramedic service; authorizing the collection of taxes in excess of the levy limits for purposes of the paramedic program.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knutson	O'Neill	Schrom
Bang	Gerty	Lewis	Patton	Sillers
Berg	Hansen, Baldy	McCutcheon	Perpich, A. J.	Solon
Bernhagen	Hughes	Merriam	Perpich, G.	Spear
Blatz	Humphrey	Milton	Pillsbury	Stassen
Borden	Jensen	Olhoft	Purfeerst	Stumpf
Conzemius	Josefson	Olson, A. G.	Renneke	Ueland
Doty	Kleinbaum	Olson, H. D.	Schmitz	Willet

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

S. F. No. 2335: A bill for an act relating to child support and paternity; providing for continuing court orders; granting county court jurisdiction; amending Minnesota Statutes 1974, Sections 256.87, Subdivision 1; 256.872; 256.873; 257.253; 257.254; 257.257; 257.259; 257.261, Subdivision 1; 257.29; 393.07, Subdivision 9; and 518.49.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Berg	Blatz	Coleman	Doty
Bang	Bernhagen	Borden	Conzemius	Dunn

Frederick	Keefe, S.	Ogdahl	Pillsbury	Stumpf
Gearly	Kleinbaum	Olhoff	Purfeerst	Tennessee
Hansen, Baldy	Knutson	Olson, A. G.	Renneke	Ueland
Hansen, Mel	Kowalczyk	Olson, H. D.	Schmitz	Willet
Hughes	Lewis	O'Neill	Schrom	
Humphrey	McCutcheon	Patton	Sillers	
Jensen	Merriam	Perpich, A. J.	Solon	
Josefson	Milton	Perpich, G.	Stassen	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

S. F. No. 1791: A bill for an act relating to real estate; providing for limitation of action for damages based on errors in the survey of land; amending Minnesota Statutes 1974, Section 541.051, Subdivision 1.

Mr. Humphrey moved to amend S. F. No. 1791 as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Chapter 541, is amended by adding a section to read:

[541.052] [LIMITATION OF ACTION FOR DAMAGES BASED ON ERRORS IN LAND SURVEYS.] *Except where fraud is involved, no action to recover damages for any error in the survey of land, nor any action for contribution or indemnity for damages sustained on account of an error, shall be brought against any person performing the survey more than two years after the discovery thereof, nor in any event more than 15 years after the date of the survey.*

Sec. 2. *This act is effective January 1, 1977.”*

Amend the title as follows:

Strike line 5 and insert “Chapter 541, by adding a section.”

The motion prevailed. So the amendment was adopted.

S. F. No. 1791: A bill for an act relating to real estate; providing for limitation of action for damages based on errors in the survey of land; amending Minnesota Statutes 1974, Chapter 541, by adding a section.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearly	Knutson	Patton	Solon
Berg	Hansen, Baldy	Kowalczyk	Perpich, A. J.	Spear
Bernhagen	Hansen, Mel	Lewis	Perpich, G.	Stassen
Borden	Hughes	Merriam	Pillsbury	Stumpf
Coleman	Humphrey	Milton	Purfeerst	Tennessee
Conzemius	Jensen	Olhoff	Renneke	Ueland
Doty	Josefson	Olson, A. G.	Schmitz	Willet
Dunn	Keefe, S.	Olson, H. D.	Schrom	
Frederick	Kleinbaum	O'Neill	Sillers	

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

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 10:30 o'clock a.m., Monday, March 22, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINETY-FIFTH DAY

St. Paul, Minnesota, Monday, March 22, 1976

The Senate met at 10:30 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Anderson	Dunn	Kirchner	Olson, A. G.	Spear
Arnold	Fitzsimons	Kowalczyk	Olson, H. D.	Stokowski
Ashbach	Frederick	Larson	Olson, J. L.	Stumpf
Bang	Gearty	Laufenburger	Patton	Tennessee
Bernhagen	Hansen, Baldy	Lewis	Perpich, A. J.	Ueland
Blatz	Hansen, Mel	McCutcheon	Perpich, G.	Wegener
Brataas	Hanson, R.	Merriam	Pillsbury	Willet
Chenoweth	Hughes	Milton	Purfeerst	
Conzemius	Josefson	Moe	Schmitz	
Davies	Keefe, J.	North	Schrom	
Doty	Keefe, S.	Ogdahl	Sillers	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. William C. Hunt.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, S.	Ogdahl	Schrom
Arnold	Doty	Kirchner	Olhoff	Sillers
Ashbach	Dunn	Kleinbaum	Olson, A. G.	Solon
Bang	Fitzsimons	Knutson	Olson, H. D.	Spear
Berg	Frederick	Kowalczyk	Olson, J. L.	Stassen
Bernhagen	Gearty	Larson	O'Neill	Stokowski
Blatz	Hansen, Baldy	Laufenburger	Patton	Stumpf
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Tennessee
Brataas	Hanson, R.	McCutcheon	Perpich, G.	Ueland
Brown	Hughes	Merriam	Pillsbury	Wegener
Chenoweth	Humphrey	Milton	Purfeerst	Willet
Chmielewski	Jensen	Moe	Renneke	
Coleman	Josefson	Nelson	Schaaf	
Conzemius	Keefe, J.	North	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**MEMBERS EXCUSED**

Mr. Olson, H. D. was excused from the Session of today until 12:30 o'clock p.m. Mr. Perpich, G. was excused from the Session of today at 1:00 o'clock p.m. Mr. Wegener was excused from the Session of today at 5:00 o'clock p.m.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

March 19, 1976

The Honorable Alec Olson  
President of the Senate  
Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate Files:

S. F. No. 53, An act relating to peace officer training courses; eligibility; amending Minnesota Statutes 1974, Section 626.851, Subdivision 2.

S. F. No. 995, An act relating to agriculture; regulating pesticides; providing a penalty; amending Minnesota Statutes 1974, Sections 21.47, Subdivisions 8 and 9; and 21.49, Subdivision 1; repealing Minnesota Statutes 1974, Sections 18.031; 18.032, Subdivisions 1 to 5, 7, and 8; 18.0321 to 18.036; 18A.01; 18A.02, Subdivisions 1, 2, 4, and 5; 18A.03 to 18A.11; 24.069; 24.071; 24.072, Subdivisions 1, 3, and 5; 24.0721 to 24.077; Minnesota Statutes, 1975 Supplement, Sections 18.032, Subdivision 6; 18A.02, Subdivision 3; and 24.072, Subdivisions 2 and 4.

S. F. No. 1135, An act relating to intoxicating and non-intoxicating liquor; age for licensing, sale, purchase, consumption, possession and furnishing; amending Minnesota Statutes 1974, Sections 340.02, Subdivision 8; 340.035, Subdivision 1; 340.119, Subdivision 2; 340.13, Subdivision 12; 340.355; 340.403, Subdivision 3; 340.73, Subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

S. F. No. 1252, An act relating to the blind; providing for vending stands and machines to be operated by the blind on property of state governmental subdivisions; amending Minnesota Statutes 1974, Section 248.07, Subdivision 7.

S. F. No. 1493, An act relating to natural resources; amending certain laws concerning minnows; amending Minnesota Statutes 1974, Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivision 17; 101.42, Subdivisions 5 and 6; and Minnesota Statutes, 1975 Supplement, Section 98.46, Subdivision 5.

S. F. No. 1590, An act relating to elections; requiring the secretary of state to prescribe forms and uniform methods for the reporting of election returns; requiring certain information in returns and canvasses; and imposing certain duties on canvassing officers; amending Minnesota Statutes, 1975 Supplement, Sections 204A.46, by adding a subdivision; and 204A.51.

S. F. No. 1794, An act relating to courts; prescribing the jurisdictional limits of conciliation courts in the counties of Hennepin and Ramsey; amending Minnesota Statutes 1974, Sections 488A.12,

Subdivision 3; 488A.14, Subdivision 6; 488A.29, Subdivision 3; and 488A.31, Subdivision 6.

S. F. No. 1852, An act relating to the city of Fulda; validating election proceedings and authorizing the issuance of bonds of the city approved by the electors.

S. F. No. 1901, An act relating to cooperative associations; providing for changes in the electing of directors; amending Minnesota Statutes 1974, Sections 308.09, Subdivision 1; and 308.11.

S. F. No. 1924, An act relating to employment agencies; excluding teacher and nurse placement agencies from the definition of employment agency; amending Minnesota Statutes 1974, Section 184.21, Subdivision 2.

S. F. No. 1975, An act relating to agriculture; changing the duty of the commissioner of agriculture in establishing standards, grades, and price differentials for milk and cream from mandatory to permissive; amending Minnesota Statutes 1974, Section 32.401, Subdivision 1.

S. F. No. 2070, An act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

S. F. No. 2076, An act relating to corrections; amending Minnesota Statutes 1974, Section 241.01, by adding a subdivision.

S. F. No. 2168, An act authorizing the conveyance of lands and structures comprising Count Beltrami state monument to the town of Turtle Lake in Beltrami county; specifying the terms and conditions of such conveyance.

S. F. No. 2237, An act directing the sale of certain parcel of tax forfeited land in St. Louis county.

Sincerely,  
Wendell R. Anderson, Governor

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Josefson, Chmielewski and Jensen introduced—

S. F. No. 2582: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; removing limits on interest and amount of highway bonds; repealing Laws 1975, Chapter 203, Sections 25 and 26.

Referred to the Committee on Transportation and General Legislation.

Mr. Humphrey introduced—

S. F. No. 2583: A bill for an act relating to financial obligations; providing for independent audit upon resolution from county; authorizing promulgation of rules relating to contracts with architects, engineers and land surveyors; requiring detailed receipts for certain expenditures; amending Minnesota Statutes 1974, Sections 6.48; 471.345, Subdivision 2; 471.38, by adding subdivisions; 475.58, Subdivision 1a; and Chapters 471, by adding a section.

Referred to the Committee on Governmental Operations.

Messrs. Borden, Bernhagen and Humphrey introduced—

S. F. No. 2584: A resolution urging Congress and the President to establish the Solar Energy Research Institute in Minnesota.

Referred to the Committee on Natural Resources and Agriculture.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1262, 1813, 1944, 2051, 2077 and 2130.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 19, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 2154.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 19, 1976

Mr. President:

I have the honor to announce that the House wishes to recall for the purpose of further consideration Senate File No. 1957.

S. F. No. 1957: A bill for an act relating to medical assistance for the needy; prohibiting false claims for reimbursement; making certain vendors ineligible for reimbursement; providing access to certain medical records for verification of claims; providing for a penalty; amending Minnesota Statutes 1974, Sections 256B.064; 256B.27; Chapters 256B and 609, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 256B.12 and 609.52, Subdivision 2.

Edward A. Burdick, Chief Clerk, House of Representatives

March 19, 1976

Mr. Tennesen moved that the Senate accede to the request of the House for the recall of S. F. No. 1957 for the purpose of further consideration. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1627: A bill for an act relating to state parks; adding lands to Kilen Woods state park in Jackson county.

Senate File No. 1627 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 19, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Olson, H. D. moved that the Senate concur in the amendments by the House to S. F. No. 1627 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1627: A bill for an act relating to state parks; adding lands to Kilen woods state park in Jackson county; authorizing the inclusion of additional lands within the boundaries of Itasca state park.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	North	Renneke
Arnold	Doty	Kleinbaum	Ogdahl	Schaaf
Ashbach	Dunn	Knutson	Olhoff	Schmitz
Bang	Fitzsimons	Kowalczyk	Olson, A. G.	Schrom
Berg	Gearty	Larson	Olson, H. D.	Sillers
Bernhagen	Hansen, Baldy	Laufenburger	Olson, J. L.	Solon
Blatz	Hansen, Mel	Lewis	O'Neill	Spear
Brataas	Hanson, R.	McCutcheon	Patton	Stokowski
Brown	Hughes	Merriam	Perpich, A. J.	Stumpf
Chmielewski	Humphrey	Milton	Perpich, G.	Tennessee
Coleman	Josefson	Moe	Pillsbury	Willet
Conzemius	Keefe, S.	Nelson	Purfeerst	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1876: A bill for an act relating to the operation of state government; correcting the nomenclature of or restructuring several boards and committees; limiting the use of advisory groups; standardizing the terms, compensation and removal of members of committees; abolishing or transferring the functions of several state agencies including the public relief advisory committee, the Minnesota-South Dakota boundary waters commission, the motor vehicle reciprocity commission, the Big Island veterans camp board of directors, the publications advisory board, the Indian education committee, the advisory committee for mentally retarded and

cerebral palsied community residential facilities, and the state teletypewriter advisory committee; amending Minnesota Statutes 1974, Sections 3.30, by adding a subdivision; 16.71, Subdivision 1; 17.52; 17.53, Subdivision 5; 17.54, Subdivision 2; 21A.02, Subdivision 5; 21A.03; 29.14, Subdivision 4; 30.463, Subdivision 2; 32B.03, Subdivision 4; 84.01, Subdivision 5; 114.12; 116E.02, Subdivision 1; 116E.03, Subdivision 7, and by adding a subdivision; 121.83; 136A.02, Subdivision 5; 141.24; 168.187, Subdivisions 7, 8, 9, 11, 12, 15, 18, 24 and 25; 178.02, Subdivision 2; 197.13; 197.15; 197.16; 252.28, Subdivision 2; 256.01, Subdivision 6; 326.41; 326.49; 481.01; Chapters 15, 60C, 114, and 252 by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 15.01; 15.012; 15.059, Subdivisions 3 and 4; 84B.11, Subdivision 1; 86A.10, Subdivision 1; 115.71, Subdivision 4; 115.74; 125.183, Subdivision 1; 148.231, Subdivision 2; 149.02; 151.03; 155.05; 198.055, Subdivisions 1 and 2; 326.241, Subdivision 1; 326.33, Subdivision 1; Extra Session Laws 1971, Chapter 31, Article 13, as amended; Laws 1975, Chapter 271, Section 3; repealing Minnesota Statutes 1974, Sections 15.0546, as amended; 17.60; 17.601; 21A.04; 32B.04, Subdivision 2; 72B.09; 114.01 to 114.08; 126.023; 168.187, Subdivision 6; 178.02, Subdivision 3; 197.14; 252.29; 362.16; Minnesota Statutes, 1975 Supplement, Sections 86A.10, Subdivisions 3, 4 and 5; 241.023; and 299C.47.

Senate File No. 1876 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 19, 1976

### CONCURRENCE AND REPASSAGE

Mr. North moved that the Senate concur in the amendments by the House to S. F. No. 1876 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1876 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kirchner	Ogdahl	Schrom
Arnold	Dunn	Kleinbaum	Olhoft	Sillers
Ashbach	Fitzsimons	Knutson	Olson, A. G.	Solon
Bang	Frederick	Kowalczyk	Olson, H. D.	Spear
Berg	Gearty	Larson	Olson, J. L.	Stassen
Bernhagen	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Blatz	Hansen, Mel	Lewis	Patton	Stumpf
Brataas	Hanson, R.	McCutcheon	Perpich, A. J.	Tennessee
Brown	Hughes	Merriam	Perpich, G.	Wegener
Chmielewski	Humphrey	Milton	Pillsbury	Willet
Coleman	Josefson	Moe	Purfeerst	
Conzemiuss	Keefe, J.	Nelson	Schaaf	
Davies	Keefe, S.	North	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1615.

H. F. No. 1615: A bill for an act relating to public health; providing for care, medical treatment, and legal rights of live births resulting from abortions.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Messrs. Faricy, Philbrook and Wigley have been appointed as such committee on the part of the House.

House File No. 1615 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 19, 1976

Mr. Gearty moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1615, and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 404, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 404: A bill for an act relating to banks; cash reserves of banks and trust companies; recordkeeping of savings associations; amending Minnesota Statutes 1974, Sections 48.22; and 51A.19, Subdivision 4.

House File No. 404 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 19, 1976

Mr. North moved that H. F. No. 404 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No.

1751, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1751: A bill for an act relating to game and fish; firearms permissible for taking wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 9.

House File No. 1751 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 19, 1976

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1751

A bill for an act relating to game and fish; firearms permissible for taking wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 9.

March 17, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 1751 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and H. F. No. 1751 be amended as follows:

Page 2, after line 5, insert

"Sec. 2. Minnesota Statutes 1974, Section 100.29, Subdivision 10, is amended to read:

Subd. 10. It shall be unlawful to throw or cast the rays of a spotlight, headlight, or other artificial light on any highway, or in any field, woodland, or forest, for the purpose of spotting, locating or taking any wild animal, except raccoons when treed with the aid of dogs, while having in possession or under control, either singly or as one of a group of persons, any firearm, bow or other implement whereby big game could be killed, unless the firearm is unloaded in both barrels and magazine and completely contained in a gun case expressly made for that purpose which is fully enclosed by being zipped, snapped, buckled, tied, or otherwise fastened with no portion of the firearm exposed, ~~or~~ *and, as so enclosed, the firearm is contained in the trunk of the car with the trunk door closed and in the case of a bow, unless the same is completely encased or unstrung or unstrung, the bow is contained in the trunk of the car with the trunk door closed ; provided, however, that if the vehicle has no trunk, the firearm or bow must be placed in the rearmost location in the vehicle.* When artificial lights are used to take raccoon when treed with the aid of dogs, the rifles used to take raccoon shall not be of a larger caliber than .22 rim-fire, and shotguns so used shall only contain shells with shot no larger than No. 4. Artificial lights to take raccoon when treed with the aid of dogs shall be legal."

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "authorizing use of muzzle loading muskets to take game; regulating the shining of wild animals;"

Page 1, line 4, delete "Subdivision 9" and insert "Subdivisions 9 and 10"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Harold J. Dahl, Bob McEachern, Richard E. Wigley

Senate Conferees: (Signed) John Bernhagen, Lew W. Larson, Ed Schrom

Mr. Bernhagen moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1751 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 1751: A bill for an act relating to game and fish; authorizing use of muzzle loading muskets to take game; regulating the shining of wild animals; firearms permissible for taking wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivisions 9 and 10.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

And the roll being called, there were yeas 60 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Josefson	North	Renneke
Arnold	Davies	Keefe, J.	Ogdahl	Schaaf
Ashbach	Doty	Kirchner	Olhoff	Schmitz
Bang	Dunn	Kleinbaum	Olson, A. G.	Schrom
Berg	Frederick	Knutson	Olson, H. D.	Sillers
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Solon
Blatz	Hansen, Baldy	Larson	O'Neill	Stassen
Brataas	Hansen, Mel	Laufenburger	Patton	Stokowski
Brown	Hanson, R.	Merriam	Perpich, A. J.	Stumpf
Chenoweth	Hughes	Milton	Perpich, G.	Ueland
Chmielewski	Humphrey	Moe	Pillsbury	Wegener
Coleman	Jensen	Nelson	Purfeerst	Willet

Messrs. Keefe, S.; Lewis and Spear voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recom-

mendation and report of the Conference Committee on House File No. 1199, and repassed said bill in accordance with the report of the Committee, so adopted.

**H. F. No. 1199:** A bill for an act relating to treatment of alcohol and drug abuse; providing for programs of intervention and treatment for employees and underserved groups; appropriating money; amending Minnesota Statutes 1974, Section 254A.02, by adding subdivisions; and Chapter 254A, by adding sections.

House File No. 1199 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 19, 1976

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1199

A bill for an act relating to treatment for alcohol and drug abuse; providing for programs of intervention and treatment for employees and underserved groups; appropriating money; amending Minnesota Statutes 1974, Section 254A.02, by adding subdivisions; and Chapter 254A, by adding sections.

March 17, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 1199 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. 1199 be further amended as follows:

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes 1974, Section 254A.02, Subdivision 1, is amended to read:

254A.02 [DEFINITIONS.] Subdivision 1. For the purposes of ~~Laws 1973, Chapter 572~~ *chapter 254A*, unless the context clearly indicates otherwise, the terms defined in this section have the meanings given them.

Sec. 2. Minnesota Statutes 1974, Section 254A.02, is amended by adding subdivisions to read:

*Subd. 12. "Area mental health board" or "area board" means a board established pursuant to sections 245.61 to 245.69.*

*Subd. 13. "Commissioner" means the commissioner of public welfare,*

*Subd. 14. "Youth" means any person 18 years of age or under.*

*Subd. 15. "Underserved populations" means identifiable groups of significant numbers which do not have available to them sufficient programs and services designed to meet their special alcoholism and chemical dependency needs.*

*Subd. 16. "Affected employee" means an employee whose job performance is substantially affected by chemical dependency.*

*Subd. 17. "Purchase of service agreement" means a contract between a contractor and service provider for the provision of services. The agreement shall specify the services to be provided, the method of delivery, the type of staff to be employed, and a method of evaluation of the services to be provided.*

Sec. 3. Minnesota Statutes 1974, Chapter 254A, is amended by adding a section to read:

[254A.031] [NATIVE AMERICAN PROGRAMS.] *The commissioner shall enter into one or more purchase of service agreements to provide programs for native Americans. The agreements shall provide for residential and aftercare treatment programs, programs relating to prevention, education, and community awareness, and training programs. All programs shall be designated to meet the needs identified by the native American community, and appropriate recognition shall be given to the cultural and social needs of native Americans. The commissioner shall enter into the agreements after consultation with the special assistant for native American programs of the alcohol and drug abuse section of the department of public welfare, and all agreements shall be reviewed pursuant to section 254A.03.*

Sec. 4. Minnesota Statutes 1974, Chapter 254A, is amended by adding a section to read:

[254A.12] [AFFECTED EMPLOYEES.] *Participating area boards shall enter into one or more purchase of service agreements to provide services to employers to develop personnel practices for prevention of alcoholism and other chemical dependency, and to assist affected employees in gaining access to care through identification and referral services.*

Sec. 5. Minnesota Statutes 1974, Chapter 254A, is amended by adding a section to read:

[254A.14] [SERVICES TO YOUTH AND OTHER UNDERSERVED POPULATIONS.] *Subdivision 1. [IDENTIFICATION.] Participating area boards shall enter into one or more purchase of service agreements to provide services related to the prevention of chemical dependency to persons and groups which have responsibility for, and access to, youth and other underserved populations. The boards shall also enter into purchase of service agreements to assist youth and other underserved populations in gaining access to care.*

*Subd. 2. [TREATMENT FACILITIES.] If, as a result of programs authorized under subdivision 1, significant numbers of persons are identified for whom treatment and aftercare programs are not available, participating area boards may request funds from the commissioner to develop treatment and aftercare capabilities.*

Sec. 6. [AFFIRMATIVE OUTREACH.] *The commissioner shall design and implement a plan of affirmative outreach to encourage utilization of the services authorized in sections 3 to 5. The plan may include purchase of services by the commissioner to carry out the plan.*

Sec. 7. Minnesota Statutes 1974, Chapter 254A, is amended by adding a section to read:

[254A.16] [RESPONSIBILITIES OF THE COMMISSIONER.] *Subdivision 1. [EVALUATION.] The commissioner shall evaluate or contract for the evaluation of all programs authorized under sections 3 to 5. The evaluation shall be directed at determining the degree to which funded activities attain their prestated objectives, whether existent and proposed activities are the most appropriate programmatic response to predetermined needs, and whether they are cost effective.*

*Subd. 2. (a) The commissioner shall provide program guidelines and technical assistance to the area boards in carrying out their responsibilities under sections 4 and 5.*

*(b) The commissioner shall recommend to the governor and to the legislature means of making the programs funded under sections 3 to 5 wholly or partially self sustaining.*

Sec. 8. Minnesota Statutes 1974, Chapter 254A, is amended by adding a section to read:

[254A.17] [ALLOCATION OF FUNDS BY COMMISSIONER OF PUBLIC WELFARE.] *The funds appropriated for sections 3 to 6 to the commissioner of public welfare shall be allocated by him subject to the following provisions:*

*(a) For the purposes of section 4, the allocation of funds shall be to each participating area board on the basis of total numbers of persons in the work force in counties served by the area board. For the purposes of section 5, the allocation of funds shall be to each participating area board on the basis of the elementary, middle and secondary school populations and the most current United States census data in counties served by the area board. Area boards shall ensure that services are provided in each county in proportion to the population to be served.*

*(b) Funds in section 4 to assist troubled employees in gaining access to care may be used for private employer or employee groups of under 200 persons, or public employer or employee groups of any number and shall be paid on the following cost sharing basis: During the first year of the program, the participating area board shall meet 90 percent of the cost of the program, and the employer or employee group shall meet 10 percent of the cost. During the second year of the program, each party shall pay 50 percent of the cost of the program. Private employer or employee groups of over 200 may participate in programs authorized under section 4, but shall not be eligible for receipt of public funds under this act. The area board and employer and employee groups must work towards a financially self-sustaining system for each program.*

*(c) Funds shall not be used to supplant or reduce in any way present local, state, federal, or private expenditure levels supporting existing resources.*

*(d) Existing program resources shall be fully utilized before new programs are developed.*

*(e) Allocation of funds to area mental health boards shall be contingent upon the demonstrated capability of the boards to adequately plan and coordinate chemical dependency programs.*

*(f) Area boards shall be encouraged to plan jointly to develop needed program resources on a multiarea basis.*

*(g) Programs developed by funds allocated under sections 3 to 5 shall comply with the guidelines established by the commissioner.*

*(h) No more than five percent of the total allocation to an area mental health board may be used for purposes of administering and monitoring purchased services.*

*(i) Purchase of service agreements and contracts under sections 4, 5 and 7 shall be contingent on the demonstrated capability of a service provider to adequately fulfill the terms of the agreement or contract.*

*(j) During the biennium, the commissioner may review the unexpended balance of funds allocated to each area board and service provider under sections 4 and 5 and may reallocate unexpended funds within the program categories established by sections 4 and 5 based upon demand for services.*

*Sec. 9. The commissioner of public welfare shall submit to the legislature by January 2, 1977 a comprehensive five year plan which shall include at least the following:*

*(a) An analysis of the availability and effectiveness of existing resources and programs in the state to identify and treat chemically dependent individuals.*

*(b) An analysis, by population group, of the numbers of chemically dependent individuals in the state, including a determination of whether or not treatment is currently available for them.*

*(c) A detailed projection, by population group, of the number of chemically dependent individuals, and an analysis of the nature and scope of services they will require.*

*(d) An analysis of the projected benefits, including cost effectiveness, of funding early identification programs.*

*(e) An analysis of the future program needs in the state of Minnesota; and an analysis of the cost of the programs.*

*(f) A specific year by year plan for the development and implementation of the programs set forth in clause (e), and a projected budget for each year.*

*(g) An analysis of the anticipated nature of the chemical dependency problem in the state by 1981.*

*Sec. 10. [APPROPRIATION.] Subdivision 1. For purposes of section 4, there is appropriated to the commissioner of public welfare for the biennium ending June 30, 1977, from the general fund, the sum of \$1,100,000. Not more than \$50,000 shall be used by the commissioner for the administration of the program. The ap-*

*proved complement of the department of public welfare shall be enlarged by two positions.*

*Subd. 2. For purposes of section 5, there is appropriated the sum of \$1,356,000 from the general fund for the biennium ending June 30, 1977, to the commissioner of public welfare.*

*Subd. 3. For the purposes of section 3, there is appropriated from the general fund to the commissioner of public welfare for the biennium ending June 30, 1977, the sum of \$775,000. Of this sum, \$500,000 shall be used for residential treatment programs or facilities; \$250,000 shall be used for prevention, aftercare, education, community awareness, and training programs; and \$25,000 shall be used for the development of a plan to implement the provisions of section 3.*

*Subd. 4. For the purposes of section 6, there is appropriated to the commissioner of public welfare for the biennium ending June 30, 1977, from the general fund, the sum of \$30,000.*

*Subd. 5. For purposes of section 7, subdivision 1, there is appropriated to the commissioner of public welfare for the biennium ending June 30, 1977, from the general fund, the sum of \$50,000. In addition, the commissioner shall allocate \$40,000 of the sum appropriated to him by Laws 1975, Chapter 434, Section 2, for the purposes specified in section 7, subdivision 1 of this act.*

**Sec. 11. [SUPPLEMENTARY FUNDING.]** *There is appropriated from the general fund to the commissioner of public welfare for the biennium ending June 30, 1977, the sum of \$2,802,000. Of this sum, \$950,000 shall be used for the state share of the expense of administration, operation and maintenance of detoxification programs pursuant to Minnesota Statutes, Section 254A.08; \$727,000 shall be used for the state share of the expense of administration, operation and maintenance of half-way houses; and \$1,125,000 shall be used for the state share of the expense of administration, operation and maintenance of nonresidential programs.*

**Sec. 12.** *This act shall be effective July 1, 1976."*

Further amend the title as follows:

Page 1, line 4, after "employees" insert ", native Americans,"

Page 1, line 4, after the semicolon insert "providing funding for detoxification programs, half-way houses and nonresidential programs;"

Page 1, line 6, after "254A.02," insert "Subdivision 1, and"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) John T. Clawson, Linda L. Berglin, Mary M. Forsythe, Donald B. Samuelson, James I. Rice.

Senate Conferees: (Signed) Roger D. Moe, Robert J. Tennesen, George F. Perpich, Howard A. Knutson, William G. Kirchner.

Mr. Moe moved that the foregoing recommendations and Confer-

ence Committee Report on H. F. No. 1199 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

**H. F. No. 1199:** A bill for an act relating to treatment for alcohol and drug abuse; providing for programs of intervention and treatment of employees, native Americans, and underserved groups; appropriating money; providing funding for detoxification programs, half-way houses and non-residential programs; amending Minnesota Statutes 1974, Section 254A.02, Subdivision 1, and by adding subdivisions; and Chapter 254A, by adding sections.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question being taken on the repassage of the bill, as amended by the Conference Committee,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Josefson	Nelson	Schaaf
Arnold	Davies	Keefe, J.	North	Schmitz
Ashbach	Doty	Keefe, S.	Ogdahl	Schrom
Bang	Dunn	Kirchner	Olhoft	Sillers
Berg	Fitzsimons	Knutson	Olson, A. G.	Stassen
Bernhagen	Frederick	Kowalczyk	Olson, J. L.	Stokowski
Blatz	Gearty	Larson	O'Neill	Stumpf
Borden	Hansen, Baldy	Laufenburger	Patton	Ueland
Brataas	Hansen, Mel	Lewis	Perpich, A. J.	Wegener
Brown	Hanson, R.	McCutcheon	Perpich, G.	Willet
Chenoweth	Hughes	Merriam	Pillsbury	
Chmielewski	Humphrey	Milton	Purfeerst	
Coleman	Jensen	Moe	Renneke	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S. F. No. 674:** A bill for an act relating to administrative procedure; requiring agency estimates of the cost of proposed rules to local public bodies; delaying the effective date of rules involving costs to local public bodies; amending Minnesota Statutes, 1975 Supplement, Section 15.0412, by adding subdivisions.

Senate File No. 674 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 19, 1976

**CONCURRENCE AND REPASSAGE**

Mr. Hughes moved that the Senate concur in the amendments by the House to S. F. No. 674 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 674 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Josefson	Nelson	Schaaf
Arnold	Davies	Keefe, J.	North	Schmitz
Ashbach	Doty	Keefe, S.	Ogdahl	Schrom
Bang	Dunn	Kirchner	Olhoft	Sillers
Berg	Fitzsimons	Kleinbaum	Olson, A. G.	Solon
Bernhagen	Frederick	Knutson	Olson, J. L.	Spear
Blatz	Gearty	Kowalczyk	O'Neill	Stassen
Borden	Hansen, Baldy	Laufenburger	Patton	Stokowski
Brataas	Hansen, Mel	Lewis	Perpich, A. J.	Stumpf
Brown	Hanson, R.	McCutcheon	Perpich, G.	Tennessee
Chenoweth	Hughes	Merriam	Pillsbury	Ueland
Chmielewski	Humphrey	Milton	Purfeerst	Wegener
Coleman	Jensen	Moe	Renneke	Willet

So the bill, as amended, was repassed and its title was agreed to.

**FIRST READING OF HOUSE BILLS**

The following bill was read the first time and referred to the Committee indicated.

H. F. No. 2154: A bill for an act relating to the operation and structure of state government; eliminating certain qualifications for the office of commissioner of personnel; amending Minnesota Statutes 1974, Section 43.001, Subdivision 2.

Referred to the Committee on Rules and Administration.

**REPORTS OF COMMITTEES**

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which were referred the following appointments as reported in the Journal of January 27, 1976:

**DEPARTMENT OF FINANCE - COMMISSIONER**

Gerald Christenson

**MUNICIPAL COMMISSION**

Thomas J. Simmons

**CAPITOL AREA ARCHITECTURAL AND PLANNING COMMISSION**Gordon Rosenmeier  
Mrs. Solveig Premack  
Mrs. Marjorie Vogel

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal of February 5, 1976:

**STATE ZOOLOGICAL BOARD**

Robert Ferguson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which were referred the following appointments as reported in the Journal of January 29, 1976:

**STATE PERSONNEL BOARD**William Watters  
Marcella Page  
William B. Flaherty, Sr.**STATE ZOOLOGICAL BOARD**

Robert Engels

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which were referred the following appointments as reported in the Journal of January 29, 1976:

**MINNESOTA HOUSING FINANCE AGENCY**James Johnson  
Reverend Lawrence Gavin**STATE BOARD OF HUMAN RIGHTS**

Finette Magnuson

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal of January 27, 1976:

**MINNESOTA HOUSING FINANCE AGENCY**

Bernard Carlson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which was referred the following appointment as reported in the Journal of May 2, 1975:

**HOUSING FINANCE AGENCY**

Richard Miller

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Gearty from the Committee on Governmental Operations, to which were referred the following appointments as reported in the Journal for March 4, 1976:

**STATE BOARD OF HUMAN RIGHTS**

Rebecca Knittle  
Anna Lawler  
Melda Hedblom  
James Willis  
Raul Salazar  
Walter Dziedzic  
Tollie Joe Flippin, Jr.  
Duane Korbel  
Cathy Clardy  
Manuel Guerrero  
Mary Lou Hill  
Branch Miller  
Jose Trejo  
Ilene Jean Atwood

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2678, 2677 and 1130 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2677	2564				
2678	2565				
1130	652				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2677 be amended as follows:

Page 1, section 1, line 1, after "BUILDINGS;" insert "GENERAL FUND"

Page 1, section 1, line 2, delete ", or other funds as designated,"

Page 1, section 2, delete subdivisions 2 to 8

Delete pages 2 to 4

Page 5, delete subdivisions 6 to 8 and section 9, and insert

"Subd. 2. Modification to buildings and grounds to provide safe use by handicapped persons .....	85,000
Subd. 3. South mall development and capitol area tree planting program implementation — Phase I .....	225,000
Subd. 4. Modifications to buildings as required by the state fire marshall .....	50,000
Subd. 5. General purpose remodeling within state buildings..	200,000
Subd. 6. Emergency lighting and evacuations systems—Phase I .....	50,000
Subd. 7. Improvements to the capitol building including interior signage, directories and waste receptacles .....	12,000
Subd. 8. Rehabilitation and remodeling of 1246 University Avenue building for the bureau of criminal apprehension, preliminary planning and working drawings .....	75,000

The appropriation in this subdivision is available immediately upon final enactment.

Subd. 9. Repair perimeter water leaks, state historical and capitol square buildings . . .

100,000

Subd. 10. Improvements to state historical building . . . . .

135,500

(a) Replacement of interior rain leaders . . . . .

55,500

(b) Exterior stairway handrails . . . . .

10,000

(c) Replace windows . . . . .

70,000

Subd. 11. Improvements to veterans service building . . . . .

80,000

(a) Exterior caulking . . . . .

45,000

(b) Roof replacement . . . . .

35,000

Subd. 12. Improvements to Centennial building air handling system . . . . .

18,500

Subd. 13. Improvements to highway building air handling system . . . . .

25,000

Sec. 3. [STATE UNIVERSITIES.] Subdivision 1. To the commissioner of administration for the purposes specified in this section.

Subd. 2. Repairs to boilers, roofs, tennis courts, track and building facings . . . . .

886,500

(a) Bemidji boiler . . . . .

285,000

(b) Roofs — Mankato, Bemidji, Winona . . . . .

314,500

(c) Tennis courts and track at Moorhead . . . . .

187,000

(d) Repair exterior — Somsen Hall, Winona . . . . .

100,000

Subd. 3. Land acquisition and assessments . . . . .

288,511

Sec. 4. [COMMUNITY COLLEGES.] To the chancellor of the community college system for site work, remodeling and repair . . . . .

750,000

Sec. 5. [MINNESOTA HISTORICAL SOCIETY.] To the Minnesota historical society for equipment for research center, humidity and temperature control for rare documents, and Oliver Kelley Farm repair. . . . . 350,000

Sec. 6. [CORRECTIONS.] Subdivision 1. To the commissioner of administration for the purposes specified in this section.

Subd. 2. Repairs, maintenance and equipment . . . . . 1,300,000

Subd. 3. Occupational Safety and Health Act and fire marshall regulations compliance . . . . . 200,000"

Page 5, section 10, line 6, delete "chairman" and insert "chairmen"

Page 5, section 12, line 7, delete "pursusnt" and insert "pursuant"

Pages 6 and 7, delete sections 14 and 15

Renumber the sections in order

And when so amended, H. F. No. 2677 will be identical to S. F. No. 2564 and further recommends that H. F. No. 2677 be given its second reading and substituted for S. F. No. 2564 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2678 be amended as follows:

Delete pages 2 through 8 and insert

"University Avenue building for the bureau of criminal apprehension . . . . . 1,500,000

To include complete rehabilitation and modernization of the exterior, laboratories, and other office spaces. The appropriation analytical, investigatory, and in this subdivision is available only upon guaranteed federal participation of 50 percent for actual expenses related to rehabilitation and remodeling of the laboratory spaces and a minimum additional participation of \$250,000 from federal money for assistance in rehabilitation and remodeling of nonlaboratory spaces.

Subd. 3. Improvements to 117 University Avenue building . . . . 859,000

(a) Rehabilitation and remodeling of interior, climate control system, roof, windows and exterior face . . . . . 850,000

(b) Modification of oil storage tank . . . . . 9,000

Subd. 4. [REAPPROPRIATION.] Of the appropriation made by Laws 1973, Chapter 778, Section 6, Subdivision 1, Clause (4), to modify the capitol power plant, the sum of \$275,000 is reappropriated for preparation of plans, cost estimates and working drawings for the conversion of the capitol power plant to alternative fuels.

Sec. 3. [STATE UNIVERSITIES.] Subdivision 1. To the commissioner of administration for the purposes specified in this section.

Subd. 2. Construction of Buildings . . . . . 1,365,000

(a) Maintenance building - Mankato . . . . . 1,000,000

(b) Maintenance building - Winoona . . . . . 365,000

Subd. 3. Remodeling of Facilities . . . . . 1,352,470

(a) Hickory Hall - Bemidji . . . . 1,077,470

(b) St. Cloud Stewart Hall . . . . 275,000

Subd. 4. Working drawings and plans - Remodeling Deputy Hall . . . . . 120,000

Sec. 4. [COMMUNITY COLLEGES.] Subdivision 1. To the commissioner of administration to construct and equip facilities at Lakewood community college . . . . . 2,497,870

Subd. 2. To the commissioner of administration to plan, construct and equip facilities at the following community colleges . . . . . 847,700

(a) Metropolitan .....	50,000
(b) Inver Hills .....	368,000
(c) Rainy River .....	253,000
(d) North Hennepin .....	153,700
(e) Hibbing .....	23,000

Subd. 3. To the chancellor of the community college system for storage buildings ..... 400,000

Sec. 5. [UNIVERSITY OF MINNESOTA.] Subdivision 1. To the regents of the University of Minnesota for the purposes specified in this section.

Subd. 2. At the University of Minnesota, Twin Cities Campus

(a) Complete St. Paul library learning resources center, including equipment .....	4,200,000
(b) Boiler and baghouse, St. Paul .....	1,996,000
(c) Pollution control and heating plant modification, Minneapolis .....	1,000,000
(d) Basic science remodeling ..	4,937,150
(e) Upgrade for the physically handicapped, university wide	300,000
(f) O.S.H.A. projects, university wide .....	500,000
(g) St. Anthony assessments ..	383,000

Subd. 3. At the University of Minnesota, Duluth Campus

(a) Construct and equip basic science medical building...	1,422,400
(b) Heating plant and campus utilities .....	400,000

Subd. 4. At the Technical College, Crookston - Learning resources center addition ..... 1,118,150

Subd. 5. At the Technical College, Waseca - Renovation of school facilities ..... 220,000

Subd. 6. At the North Central

Experiment Station, Grand Rapids - Construct greenhouse and headhouse .....	150,000
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Subd. 7. At the Southern Experiment Station, Waseca - Office laboratory and meeting facility .....	300,000
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Sec. 6. [CORRECTIONS.]  
 Subdivision 1. To the commissioner of administration for the purposes specified in this section.

Subd. 2. Security renovations and modifications .....	1,500,000
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The commissioner of corrections shall make application and seek nonstate money for the completion of the Minnesota metropolitan training center.

Sec. 7. [PUBLIC WELFARE.]  
 Subdivision 1. To the commissioner of administration for the purposes specified in this section.

Subd. 2. Life safety improvements and modifications .....	6,078,000
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Subd. 3. Remodeling, renovation, rehabilitation, equipment, furniture, air conditioning, and demolition of buildings .....	6,922,000"
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Page 9, section 9, line 4, delete "71,000" and insert "40,000"

Page 9, section 11, delete the last two lines and insert "recommendation."

Page 9, delete section 13

Page 10, section 14, line 5, delete "70,860,000" and insert "41,-110,000"

Pages 10 and 11, underscore sections 16 to 18

Page 12, underscore section 20

Page 13, delete sections 22 to 25, and insert

"Sec. 20. [TRANSFER OF BUILDINGS.] *Notwithstanding the provisions of any other laws to the contrary, any buildings at Hastings state hospital declared surplus by the department of welfare may, with the approval of the commissioner of administration, be transferred to the control of the department of veterans affairs if the commissioner of veterans affairs determines that such buildings are appropriate and needed to carry out his responsibilities for residential care. The department of veterans affairs shall pay the prorata costs of the operations and maintenance of any buildings so transferred.*"

Page 13, section 26, underscore the new language

Renumber the sections in order

And when so amended, H. F. No. 2678 will be identical to S. F. No. 2565 and further recommends that H. F. No. 2678 be given its second reading and substituted for S. F. No. 2565 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1130 be amended as follows:

Page 8, delete lines 22 to 30

Page 9, line 2, strike "following powers: to approve or"

Page 9, strike lines 3 to 7

Page 9, line 8, strike "their control;" and insert "power"

Page 9, line 12, after the semicolon insert "and"

Page 10, line 23, after "construction" insert "or other permanent improvement"

Page 10, line 24, after "estate" insert ", equipment, repair, rehabilitation, appurtenances or utility systems to be used"

Delete page 13, line 31 to page 14, line 2

Page 16, line 16, delete "the rules committee of the"

Page 16, line 17, delete "or legislative commissions"

Page 18, lines 20 to 22, delete the underscored language

Delete page 23, line 8 to page 24, line 16

Page 28, lines 12 and 13, strike "as necessary traveling and hotel expenses"

Page 28, line 17, delete "unless it is more than 75 miles"

Page 28, lines 27 to 30, delete the underscored language

Page 28, line 31, delete "robes"

Renumber the sections in order

Further, amend the title

Page 1, delete line 20 and insert "Section 484.54;"

And when so amended, H. F. No. 1130 will be identical to S. F. No. 652 and further recommends that H. F. No. 1130 be given its second reading and substituted for S. F. No. 652 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

## SECOND READING OF SENATE BILLS

S. F. No. 2581 was read the second time.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 2677, 2678 and 1130 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Lewis moved that S. F. No. 1875, No. 52 on General Orders, be stricken and returned to the author. The motion prevailed.

Mr. Keefe, S. moved that S. F. No. 1499 be taken from the table. The motion prevailed.

Mr. Keefe, S. moved that the Senate do not concur in the amendments by the House to S. F. No. 1499 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. Keefe, S. moved that S. F. No. 1273 be taken from the table. The motion prevailed.

**CONCURRENCE AND REPASSAGE**

Mr. Keefe, S. moved that the Senate concur in the amendments by the House to S. F. No. 1273 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1273: A bill for an act relating to fair campaign practices; permitting corporations to engage in certain political activities and provide meeting facilities to political parties and candidates; amending Minnesota Statutes, 1975 Supplement, Section 210A.34, by adding subdivisions.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Olhoft	Schrom
Arnold	Dunn	Kleinbaum	Olson, A. G.	Solon
Ashbach	Fitzsimons	Kowalczyk	Olson, J. L.	Spear
Bang	Frederick	Larson	O'Neill	Stokowski
Bernhagen	Gearty	Laufenburger	Patton	Stumpf
Blatz	Hansen, Baldy	Lewis	Perpich, A. J.	Tennessee
Brataas	Hanson, R.	Merriam	Perpich, G.	Ueland
Brown	Hughes	Milton	Pillsbury	Wegener
Chmielewski	Humphrey	Moe	Purfeerst	Willet
Coleman	Jensen	Nelson	Renneke	
Conzemius	Josefson	North	Schaaf	
Davies	Keefe, J.	Ogdahl	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED**  
**SUSPENSION OF RULES**

Mr. Arnold moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 2677 and that the rules of the Senate be so far suspended as to give H. F. No. 2677, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 2677: A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings; appropriating money.

Mr. Arnold moved to amend H. F. No. 2677, as amended pursuant to Rule 49, adopted by the Senate March 22, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 2564.)

Page 3, after line 26, insert:

“Sec. 7. Commissioner of Highways

Subdivision 1. Construct equipment storage buildings, building improvements and land acquisition . . . . .

\$2,351,750

(a) Eden Prairie Equipment storage . . . . .	780,000
(b) Dakota County . . . . .	550,000
(c) Deer River . . . . .	120,000
(d) Waseca . . . . .	120,000
(e) Milaca . . . . .	120,000
(f) Slayton . . . . .	120,000
(g) Building improvements — contracts and materials . . . . .	225,000
(h) Land Acquisition — Deer River . . . . .	10,000
(i) Contingency Fund (15 percent) . . . . .	306,750

Subd. 2. Interstate safety rest area Enfield (I-94) . . . . .

125,000

The appropriations in this section are from the trunk highway fund.

The highway department shall cancel into the trunk highway fund the unobligated balances of appropriations made for land

acquisition, plant, equipment and building construction by Laws 1967, Chapter 887, Section 4; Laws 1969, Chapter 800, Section 5; and Laws 1971, Chapter 965, Section 10."

Renumber the remaining sections in sequence.

The motion prevailed. So the amendment was adopted.

Mr. Arnold moved that H. F. No. 2677 be laid on the table. The motion prevailed.

#### SUSPENSION OF RULES

Mr. Arnold moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 2678 and that the rules of the Senate be so far suspended as to give H. F. No. 2678, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 2678: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature; authorizing issuance of state building bonds; appropriating money; amending Minnesota Statutes 1974, Sections 16.16, Subdivision 2; 16A.28; 137.02, Subdivision 3; repealing Laws 1973, Chapter 778, Section 20.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 57 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Josefson	Nelson	Schrom
Arnold	Conzemius	Keefe, J.	Ogdahl	Sillers
Ashbach	Davies	Keefe, S.	Olhoft	Solon
Bang	Doty	Kirchner	Olson, A. G.	Spear
Berg	Fitzsimons	Kowalczyk	Olson, J. L.	Stassen
Bernhagen	Frederick	Larson	O'Neill	Stokowski
Blatz	Gearty	Laufenburger	Patton	Stumpf
Borden	Hansen, Baldy	Lewis	Perpich, A. J.	Wegener
Brataas	Hanson, R.	McCutcheon	Perpich, G.	Willet
Brown	Hughes	Merriam	Renneke	
Chenoweth	Humphrey	Milton	Schaaf	
Chmielewski	Jensen	Moe	Schmitz	

Messrs. Dunn, Knutson, Pillsbury and Tennessen voted in the negative.

So the bill passed and its title was agreed to.

#### MEMBERS EXCUSED

Pursuant to Rule 21, Mr. Anderson moved that the following members be excused for a Conference Committee on H. F. No. 1997:

Messrs. Anderson, Hughes, Lewis, O'Neill and Sillers. The motion prevailed.

### MOTIONS AND RESOLUTIONS—CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Calendar of Ordinary Matters. The motion prevailed.

### CALENDAR OF ORDINARY MATTERS

H. F. No. 2155: A bill for an act relating to retirement; proportionate annuities for members of various funds; amending Minnesota Statutes, 1975 Supplement, Section 356.32, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Keefe, S.	Olson, J. L.	Stassen
Ashbach	Doty	Kleinbaum	Patton	Stokowski
Bang	Dunn	Knutson	Perpich, A. J.	Stumpf
Berg	Fitzsimons	Kowalczyk	Perpich, G.	Tennessee
Bernhagen	Frederick	Laufenburger	Pillsbury	Ueland
Borden	Gearly	Merriam	Renneke	Wegener
Brataas	Hansen, Baldy	Milton	Schaaf	Willet
Brown	Hanson, R.	Moe	Schmitz	
Chmielewski	Humphrey	Nelson	Schrom	
Coleman	Jensen	Ogdahl	Solon	
Conzemius	Keefe, J.	Olhoft	Spear	

So the bill passed and its title was agreed to.

H. F. No. 2263: A bill for an act relating to game and fish; clothing required during certain seasons; amending Minnesota Statutes 1974, Section 100.29, Subdivision 8; repealing Minnesota Statutes 1974, Section 98.52, Subdivision 5.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 51 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Keefe, S.	Olson, J. L.	Stassen
Ashbach	Doty	Kirchner	Patton	Stokowski
Bang	Dunn	Knutson	Perpich, A. J.	Stumpf
Berg	Fitzsimons	Kowalczyk	Perpich, G.	Tennessee
Bernhagen	Gearly	Laufenburger	Pillsbury	Ueland
Borden	Hansen, Baldy	Merriam	Renneke	Wegener
Brataas	Hanson, R.	Milton	Schaaf	Willet
Brown	Humphrey	Moe	Schmitz	
Chmielewski	Jensen	Nelson	Schrom	
Coleman	Josefson	Ogdahl	Solon	
Conzemius	Keefe, J.	Olhoft	Spear	

Mr. Kleinbaum voted in the negative.

So the bill passed and its title was agreed to.

**RECESS**

Mr. Coleman moved that the Senate do now recess until 12:50 o'clock p.m. The motion prevailed.

The hour of 12:50 o'clock p.m. having arrived, the President called the Senate to order.

**MEMBERS EXCUSED**

Mr. Frederick was excused from the Session of today from 12:15 o'clock p.m. until 2:00 o'clock p.m.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Arnold moved that H. F. No. 2677 be taken from the table. The motion prevailed.

Mr. Ueland moved to amend H. F. No. 2677, as amended pursuant to Rule 49, adopted by the Senate March 22, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 2564.)

Page 5, after line 7, insert:

“Sec. 11. [CONVEYANCE OF UTILITY EASEMENT.] The governor, upon the recommendation of the commissioner of administration, may convey, by proper instrument, in a form approved by the attorney general, a perpetual easement, including the right of access, to the city of Mankato in certain real estate situated in Blue Earth county, Minnesota, a 30 foot permanent easement and an 80 foot construction easement, the centerline of which is described as follows:

Commencing at the Southwest corner of the Northeast Quarter of the Southeast Quarter of Section 19, township 108 North, Range 26 West; thence East on the South line of the Northeast Quarter of the Southeast Quarter of said Section 19 a distance of 323 feet to the point of beginning; thence North and parallel with the West line of the Northeast Quarter of the Southeast Quarter of said Section 19 a distance of 440 feet, thence West and parallel with the South line of the Northeast Quarter of the Southeast Quarter a distance of 290 feet and there terminating.

Said tract containing approximately .50 acres for permanent easement and .84 acres for construction easement.

The conveyance of said easement shall be made to the said city of Mankato upon such consideration as may be agreed upon for the purpose of right of way for utility purposes upon, over and across said property above described, together with any other incidental or necessary use connected with the purpose aforesaid.

Sec. 12. [EFFECTIVE DATE.] Section 11 of this act is effective upon its approval by the governing body of the city of Mankato, and upon compliance with the provisions of Minnesota Statutes, Section 645.021.”

Amend the title as follows:

Line 4, after “buildings;” insert “authorizing conveyance by the state

of an easement for utility purposes over certain state lands in Blue Earth county;”

The motion prevailed. So the amendment was adopted.

H. F. No. 2677: A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings; authorizing conveyance by the state of an easement for utility purposes over certain state lands in Blue Earth county; appropriating money.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Keefe, J.	Moe	Schaaf
Ashbach	Doty	Keefe, S.	Nelson	Schmitz
Bang	Dunn	Kirchner	Ogdahl	Schrom
Berg	Fitzsimons	Kleinbaum	Olson, A. G.	Solon
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Spear
Brataas	Hansen, Baldy	Larson	Patton	Stassen
Brown	Hansen, Mel	Laufenburger	Perpich, A. J.	Stokowski
Chmielewski	Hanson, R.	McCutcheon	Pillsbury	Stumpf
Coleman	Humphrey	Merriam	Purfeerst	Ueland
Conzemius	Jensen	Milton	Renneke	Willet

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

#### MOTIONS AND RESOLUTIONS—CONTINUED SUSPENSION OF RULES

Mr. Arnold moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S. F. No. 2581 and that the rules of the Senate be so far suspended as to give S. F. No. 2581, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

S. F. No. 2581: A bill for an act relating to the organization and operation of state government; appropriating and reappropriating money for the general administrative expenses of state government and limiting the use thereof; providing for payment of claims against the state; abolishing the state claims commission; amending Minnesota Statutes 1974, Sections 3.732, Subdivisions 1, 2, and 5; 3.751, Subdivision 1; 176.011, Subdivision 9; 192.38; 238.04, by adding a subdivision; 345.48, Subdivision 2; and Chapter 3, by adding a section; repealing Minnesota Statutes 1974, Sections 3.66 to 3.7311; 3.735; 3.752; 3.753; 3.76 to 3.83; and 15.315.

Mr. Olson, A. G. moved to amend S. F. No. 2581 as follows:

Page 3, after Sec. 7, insert a new paragraph as follows:

“There is appropriated to the state planning agency from the general fund the sum of \$75,000, or so much thereof as may be required, for the purpose of organizing and conducting seminars

for elected and appointed officials of municipalities and political subdivisions during the fiscal year commencing July 1, 1976.”

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

Mr. Brown moved to amend S. F. No. 2581 as follows:

Page 17, after line 5, insert:

“Sec. 31. Minnesota Statutes, 1975 Supplement, Section 43.43, Subdivision 2, is amended to read:

Subd. 2. “State employee” for the purpose of determining eligibility for the basic life insurance and basic health benefits coverage hereunder means:

(1) An employee in the classified service of the state civil service paid on a state payroll;

(2) An employee in the unclassified service of the state paid on a state payroll who is not excluded from any of the provisions of sections 43.42 to 43.49;

(3) A permanent employee of the legislature or a permanent employee of a permanent study or interim committee or commission;

(4) A judge of the supreme court or an officer or employee of such court; a judge of the district court;

(5) A salaried employee of the public employees retirement association;

(6) Full time military or civilian personnel in the unclassified service of the department of military affairs whose salary is paid from state funds;

(7) A salaried employee of the Minnesota historical society, whether paid from state funds or otherwise, who is not a member of the governing board;

(8) An employee of the regents of the university of Minnesota, who is a member of the academic staff with the rank of instructor, research fellow, or above, including a lecturer, serving on not less than 75 percent regular appointment;

(9) An employee of the regents of the university of Minnesota and a member of the civil service staff under the civil service plan, adopted by the university of Minnesota, who is employed on a monthly salaried appointment;

(10) An employee of the state college board or the state board for community colleges who is a member of the academic staff, who is employed for not less than a 75 percent time basis, and who is paid on a state salary payroll; or

(11) An employee of the state college board or the state board for community colleges who is either in the classified service or the unclassified service of the state civil service whose salary is paid from

the college board of the state of Minnesota, revenue fund or the college activity fund. The required premium payment of such an employee is to be paid, however, from the fund from which the employee's salary is paid.

(12) A member of the state legislature.

(13) A seasonal employee of the waters, soils and mineral division of the state department of natural resources whose duties include the sampling, weighing or grading of iron ore, taconite, or other minerals; provided that the employee shall receive the benefits provided in sections 43.42 to 43.50, at no cost to the employee for the period in each calendar year when the employee is not working at his occupation, and the premiums therefor shall be paid from the same salary fund or account as the salary of the employee.

(14) A person employed in the state service as a pre-service trainee on a full time basis.

(15) *Certain retired employees of the department of corrections to the extent provided in section 32.*

Sec. 32. Minnesota Statutes 1974, Section 241.01, is amended by adding a subdivision to read:

*Subd. 3b. The commissioner of corrections shall expend funds to pay 50 percent of the state contribution on hospital and medical benefits coverage as provided for in sections 43.42 to 43.50 for employees of the department who retire with benefits prior to age 65. The state contributions shall be paid only until the employees reach age 65, and payment shall be made pursuant to the provisions of section 43.50.*

Sec. 33. *There is appropriated to the commissioner of corrections amounts necessary to pay the benefits coverage provided for in section 31. This appropriation shall not expire but shall continue, notwithstanding provisions of chapters 10 or 16A to the contrary.*

Amend the title as follows:

Line 8, after "commission;" insert "providing for payment of hospitalization insurance for employees retiring before age 65; appropriating money;"

Line 12, after "a subdivision;" insert "241.01, by adding a subdivision;"

Line 13, after "section;" insert "Minnesota Statutes, 1975 Supplement, Section 43.43, Subdivision 2;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 23 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Josefson	Larson	Renneke
Bang	Dunn	Keefe, J.	Nelson	Stassen
Bernhagen	Hansen, Mel	Kirchner	Olson, J. L.	Ueland
Blatz	Hanson, R.	Knutson	Patton	
Brataas	Jensen	Kowalczyk	Pillsbury	

Those who voted in the negative were:

Arnold	Doty	Laufenburger	Perpich, A. J.	Stumpf
Borden	Gearty	McCutcheon	Purfeerst	Tennessee
Chenoweth	Hansen, Baldy	Merriam	Schmitz	Wegener
Chmielewski	Humphrey	Milton	Solon	Willet
Coleman	Keefe, S.	North	Spear	
Davies	Kleinbaum	Olhoft	Stokowski	

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

Mr. Conzemius moved to amend S. F. No. 2581 as follows:

Page 17, after line 5, insert:

"Sec. . Minnesota Statutes, 1975 Supplement, Section 4.19, is amended to read:

**4.19 [CONSULTING CONTRACTS BY STATE AGENCIES OR DEPARTMENTS, FUNCTION OF STATE PLANNING AGENCY.]** When any state agency or department proposes to contract with a person, other than a state employee, for information relating to whether or not an activity should be undertaken, that agency or department shall ~~consult with~~ *obtain the approval* of the state planning agency prior to entering into any contract. The state planning agency shall ~~advise as to~~ *determine* whether the information to be obtained through the proposed contract can be obtained more economically in another way, such as through the services of another state agency or department. *A copy of a proposed contract shall be furnished to the state planning agency, the senate finance committee and the house appropriations committee. Before the contract is approved or rejected, the state planning agency shall obtain the recommendations of the senate finance committee and the house appropriations committee. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.* If a consulting contract is entered into by the state, a copy of the contract shall be immediately filed with the state planning agency, which shall continuously monitor work performed under the contract. The contracting agency shall also continuously monitor work performed under the contract."

Renumber the sections in sequence

Amend the title in line 13, after "section;" by inserting "Minnesota Statutes, 1975 Supplement, Section 4.19;"

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend S. F. No. 2581 as follows:

Pages 9 to 13, strike all of Sec. 27

Renumber the sections in sequence

Amend the title as follows:

Line 6, strike "providing for"

Strike line 7

Line 13, strike "and Chapter 3, by adding a section;"

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

S. F. No. 2581: A bill for an act relating to the organization and operation of state government; appropriating and reappropriating money for the general administrative expenses of state government and limiting the use thereof; providing for payment of claims against the state; abolishing the state claims commission; amending Minnesota Statutes 1974, Sections 3.732, Subdivisions 1, 2, and 5; 3.751, Subdivision 1; 176.011, Subdivision 9; 192.38; 238.04, by adding a subdivision; 345.48, Subdivision 2; and Chapter 3, by adding a section; Minnesota Statutes, 1975 Supplement, Section 4.19; repealing Minnesota Statutes 1974, Sections 3.66 to 3.7311; 3.735; 3.752; 3.753; 3.76 to 3.83; and 15.315.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 59 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Josefson	Nelson	Schaaf
Arnold	Conzemius	Keefe, S.	North	Schmitz
Ashbach	Davies	Kirchner	Ogdahl	Schrom
Bang	Doty	Kleinbaum	Olhoft	Sillers
Berg	Dunn	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Fitzsimons	Larson	Olson, J. L.	Spear
Blatz	Gearty	Laufenburger	O'Neill	Stokowski
Borden	Hansen, Baldy	Lewis	Patton	Stumpf
Brataas	Hansen, Mel	McCutcheon	Perpich, A. J.	Tennessee
Brown	Hanson, R.	Merriam	Pillsbury	Ueland
Chenoweth	Hughes	Milton	Purfeerst	Willet
Chmielewski	Humphrey	Moe	Renneke	

Messrs. Jensen; Keefe, J. and Knutson voted in the negative.

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

#### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 1382, pursuant to the request of the House:

Messrs. North, Kirchner and Gearty.

H. F. No. 1615, pursuant to the request of the House:

Messrs. Gearty, Olhoft and Brown.

S. F. No. 1499, pursuant to the request of the Senate:

Messrs. Keefe, S.; Brown and Stumpf.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

#### SUSPENSION OF RULES

Mr. McCutcheon moved that the rules of the Senate be so far suspended that H. F. No. 1865, No. 110 on General Orders, be made a Special Order for immediate consideration. The motion prevailed.

#### SPECIAL ORDER

H. F. No. 1865: A bill for an act relating to crimes; providing increased sentences for persons convicted of certain second or subsequent violations of theft; prescribing penalties; amending Minnesota Statutes 1974, Section 609.52, Subdivision 3.

Mr. McCutcheon moved to amend H. F. No. 1865 as follows:

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes 1974, Section 152.15, is amended to read:

Subdivision 1. Any person who violates section 152.09, subdivision 1, clause (1) with respect to:

(1) A controlled substance classified in Schedule I or II which is a narcotic drug, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than 15 years or fined not more than \$25,000, or both for a first violation, and for a second or subsequent violation, upon conviction, shall be imprisoned for not less than one year nor more than 30 years or fined not more than \$50,000, or both 6 years ;~~

(2) Any other controlled substance classified in Schedule I, II, or III, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than five years, fined not more than \$15,000, or both for a first violation, and for a second or subsequent violation, upon conviction, shall be imprisoned for not less than one year nor more than ten years or fined not more than \$30,000, or both two years ;~~

(3) A substance classified in Schedule IV, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than three years, fined not more than \$10,000, or both for a first violation, and for a second or subsequent violation, upon conviction, shall be imprisoned for not less than six months nor more than six years or fined not more than \$20,000, or both one year and one day ;~~

(4) A substance classified in Schedule V, is guilty of a crime and upon conviction may be imprisoned for not more than one year, fined not more than \$1,000, or both;

(5) The distribution of a small amount of marijuana for no remuneration, shall be treated as provided in subdivision 2, clause (5).

Subd. 2. Any person who violates section 152.09, subdivision 1, clause (2), with respect to:

(1) A controlled substance classified in Schedule I or II which is a narcotic drug, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than five years or fined not more than \$5,000, or both two years ;~~

(2) Any other controlled substance classified in Schedule I, II, or III, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than three years, fined not more than \$3,000, or both one year and one day ;~~

(3) A substance classified in Schedule IV, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than three years, fined not more than \$3,000, or both one year and one day ;~~

(4) A substance classified in Schedule V, is guilty of a crime and upon conviction may be imprisoned for not more than one

year, fined not more than \$1,000, or both; provided, however, that any person convicted under this section of possessing a substance classified under Schedule V or a small amount of marijuana, and placed on probation may be required to take part in a drug education program as specified by the court;

(5) A small amount of marijuana is guilty of a misdemeanor. A subsequent violation of this clause within one year is a misdemeanor, and a person so convicted may be required to participate in a medical evaluation. A person who is the owner of a private motor vehicle, or the driver of the motor vehicle if the owner is not present, and who possesses on his person or knowingly keeps or allows to be kept in a motor vehicle within the area of the vehicle normally occupied by the driver or passengers more than .05 ounce of marijuana is guilty of a misdemeanor. This area of the vehicle shall not include the trunk of the motor vehicle when such vehicle is equipped with a trunk or another area of the vehicle not normally occupied by the driver or passengers if the vehicle is not equipped with a trunk. A utility or glove compartment shall be deemed to be within the area occupied by the driver and passengers.

Subd. 3. Any person who violates section 152.09, subdivision 2, is guilty of a crime and upon conviction ~~may shall~~ be imprisoned for ~~not more than four years~~, or fined ~~not more than \$30,000~~, or ~~both one year and six months~~.

Subd. 4. Any person 18 years of age or over who violates section 152.09, subdivision 1, clause (1), by distributing a controlled substance listed in Schedules I or II which is a narcotic drug to a person under 18 years of age who is at least three years his junior ~~is punishable shall be punished by the fine authorized by section 152.15, subdivision 1, clause (1)~~, by a term of imprisonment of up to twice that authorized by section 152.15, subdivision 1, clause (1), or by both. Any person 18 years of age or over who violates section 152.09, subdivision 1, by distributing any other controlled substance listed in Schedules I, II, III, IV, and V, except marijuana, to a person under 18 years of age who is at least three years his junior ~~is punishable shall be punished by the fine authorized by section 152.15, subdivision 1, clauses (2), (3), or (4)~~, by a term of imprisonment up to twice that authorized required by section 152.15, subdivision 1, clauses (2), (3), or (4), or both.

Subd. 5. Any person convicted of a second or subsequent offense under Laws 1971, Chapter 937, except as provided in subdivision 1, clauses (1), (2), (3) and (6) ~~may be imprisoned for a term up to twice the term otherwise authorized, fined an amount up to twice that otherwise authorized, or both.~~

Sec. 2. [DEFINITIONS.] *Subdivision 1. For purposes of section 2 to 11, the following terms shall have the meanings given them.*

*Subd. 2. "Inmate" means any person convicted of a felony and confined in a state correctional institution.*

*Subd. 3. "Commissioner" means the commissioner of corrections or his designee.*

*Subd. 4. "Correctional institution" means any institution under the operational authority of the commissioner of corrections.*

*Subd. 5. "Crime against the person" means murder in the first degree, murder in the second degree, murder in the third degree, manslaughter in the first degree, aggravated assault, aggravated robbery, kidnapping, false imprisonment, criminal sexual conduct in the first degree, criminal sexual conduct in the second degree, criminal sexual conduct in the third degree, aggravated arson, burglary, as described under 609.58, subdivision 2, clause (1) (b), and all crimes of sodomy, except that described under 609.293, subdivision 5.*

*Subd. 6. "Sentenced" means that a sentence has been imposed on the convicted person and that he has been committed to the commissioner's custody.*

**Sec. 3. [DETERMINATE SENTENCING.]** *After a person has been convicted of a felony and sentence has been imposed on that person, the court shall immediately place that person in the commissioner's custody. That person shall serve the determinate sentence provided by law for the crime of his conviction and he shall not be paroled or otherwise released from the correctional institution wherein he is confined until that determinate sentence expires, except as is provided in section 8 of this act, and except as his sentence is reduced by any good time earned.*

**Sec. 4. [MUTUAL AGREEMENT PROGRAMS.]** *The commissioner of corrections shall draft, at the request of an inmate and within 90 days after assuming custody of the inmate, a mutual agreement program. The mutual agreement program shall be drafted after a post-conviction investigation of the inmate has been made by the commissioner. In drafting a mutual agreement program, the commissioner shall also refer to any presentence investigation which has been made of the inmate. The agreement shall provide the following:*

*(a) A program of vocational or educational training with specific chronological and achievement objectives, including completion of specified educational and vocational programs;*

*(b) Frequent and regular evaluation of the inmate by the commissioner; and*

*(c) A consideration of any educational qualifications or skills of the inmate when specifying certain types of work expectations.*

*In addition, the agreement may specify participation of the inmate in non-institutional or extra-institutional programs.*

*The inmate may decline to enter into the agreement. Whether or not an inmate consents to participate in a mutual agreement program, he shall serve the sentence imposed by the sentencing court, reduced by good time credited.*

**Sec. 5. [MUTUAL AGREEMENT PROGRAM; INMATE'S RIGHTS.]** *Subdivision 1. The inmate shall have the right to appeal to the commissioner if he believes the terms of his agreement have been violated. The commissioner shall promptly investigate any appeal filed*

*under this subdivision and shall take appropriate action if he determines the terms of the mutual agreement program have been violated.*

*Subd. 2. The inmate and his counsel shall be informed of and have the right to inspect the inmate's records, including any evaluations of his progress in fulfilling the terms of his mutual agreement program.*

Sec. 6. [OTHER PROGRAMS.] *The commissioner shall provide programs with rehabilitative or therapeutic objectives for those inmates who desire to voluntarily participate. These programs shall include, but not be limited to, programs in the areas of chemical dependency and alcoholism.*

Sec. 7. [GOOD TIME.] *By September 1, 1976, the commissioner shall promulgate, pursuant to chapter 15, rules specifying offenses which may result in denial of "good time" and the amount of "good time" which may be denied as a result of each offense. Each sentence imposed for a felony offense shall be reduced in duration by one day for each day during which the inmate violates no "good time" rules as promulgated by the commissioner. In no case shall an individual offense result in the denial of more than 30 days of "good time". In no case shall "good time" earned be taken away. The denial of "good time" shall be considered to be a disciplinary measure taken against an inmate, and the procedure for denial of "good time" and the inmate's rights in that process shall be those in effect for disciplinary procedures in each correctional institution on March 1, 1976.*

Sec. 8. [CONDITIONAL RELEASE.] *Subdivision 1. If the mutual agreement program requires participation in non-institutional or extra-institutional programs, or the commissioner determines that an inmate should participate in non-institutional or extra institutional programs with rehabilitative or therapeutic objectives, and the inmate consents to participate in these programs, the commissioner may conditionally release the participating inmate under the provisions of section 241.26.*

*Subd. 2. If consistent with the public interest, the commissioner may also, under rules prescribed by him, conditionally release any inmate in his custody to any point within the state for up to five days. These releases may be granted to assist the inmate with family needs, with personal health needs, or his reintegration into society. No inmate may receive more than three releases under this subdivision within any twelve month period.*

Sec. 9. [POST-RELEASE PROGRAMS.] *Upon the completion of the term to which an inmate is sentenced, as reduced by "good time" earned, the commissioner shall offer to the inmate a voluntary program not to exceed six months designed to facilitate reintegration of the inmate into society. The program may include such assistance as aid in finding employment and housing.*

Sec. 10. [241.046] [TRANSFER OF POWERS AND DUTIES FROM MINNESOTA CORRECTIONS AUTHORITY.] *Subdivision 1. Except as provided in this section, the provisions of sections 1 to 91 shall not apply to persons convicted of a felony committed before September 1, 1976.*

*Subd. 2. The Minnesota corrections authority shall retain all powers and duties vested in and imposed upon it through December 30, 1978, with relation to persons sentenced for crimes committed before September 1, 1976. On December 31, 1978, all the powers and duties vested in and imposed upon the Minnesota corrections authority as then constituted, including but not limited to those relating to the disposition of persons committed to the authority by the district courts of this state and issuing final discharge to persons convicted of crimes and committed to the authority, shall be transferred to and imposed upon the commissioner of corrections, and the corrections authority shall be abolished.*

*Subd. 3. The provisions of sections 1 to 91 shall apply to all persons convicted of a felony committed on or after September 1, 1976.*

*Subd. 4. Nothing in sections 1 to 91 shall be deemed to limit the powers and duties otherwise provided by law to the commissioner of corrections with regard to the management of correctional institutions or the disposition of inmates unless those powers and duties are inconsistent with the provisions of sections 1 to 91, in which case those powers and duties shall be superseded by the provisions of sections 1 to 91.*

*Subd. 5. All references in Minnesota Statutes to the Minnesota corrections authority relating to persons committed to the authority by the district courts of this state shall, on and after December 31, 1978, be deemed to refer to the commissioner of corrections.*

*Subd. 6. The Minnesota corrections authority shall take into consideration the sentence terms and sentence reductions provided in sections 1 to 91, and the penal philosophy therein embodied in its deliberations relative to parole, probation, release, or other disposition of inmates who commit the offenses giving rise to their sentences before September 1, 1976.*

Sec. 11. Minnesota Statutes 1974, Section 401.13 is amended to read:

401.13 [CHARGES MADE TO COUNTIES.] Each participating county will be charged a sum equal to the per diem cost of those persons committed to the commissioner or the ~~youth conservation commissioner~~ ~~corrections board~~ after August 1, 1973, and confined in a state institution. Provided, however, that no charge shall be made for those persons convicted of offenses for which the penalty provided by law exceeds ~~five~~ *three* years, or for which ~~mandatory terms of imprisonment are required by law.~~ *no* shall The amount charged a participating county for the costs of confinement *shall not* exceed the amount of subsidy to which ~~the~~ *a* county is eligible. The commissioner shall annually determine costs and deduct them from the subsidy due and payable to the respective participating counties. All charges shall be a charge upon the county of commitment.

Sec. 12. Minnesota Statutes 1974, Section 609.03, is amended to read:

**609.03 [PUNISHMENT WHEN NOT OTHERWISE FIXED.]**  
If a person is convicted of a crime for which no punishment is otherwise provided he may be sentenced as follows:

(1) If the crime is a felony, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ ; or

(2) If the crime is a gross misdemeanor, to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both; or

(3) If the crime is a misdemeanor, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both; or

(4) If the crime is other than a misdemeanor and a fine is imposed but the amount is not specified, to payment of a fine of not more than \$500, or to imprisonment for a specified term of not more than six months if the fine is not paid.

Sec. 13. Minnesota Statutes 1974, Section 609.10, is amended to read:

**609.10 [SENTENCES AVAILABLE.]** *Subdivision 1.* Upon conviction of a felony and compliance with the other provisions of this chapter the court, if it imposes sentence, may, *unless the sentence is to an extended term of imprisonment, sentence the defendant to the extent authorized by law as follows:*

~~(1) To life imprisonment; or~~

~~(2) To imprisonment for a maximum term of years fixed by the court; or~~

~~(3) To an indeterminate term of imprisonment which shall be deemed to be for the maximum term authorized by law; or~~

~~(4) To both imprisonment and payment of a fine; or~~

~~(5) To payment of a fine without imprisonment or to imprisonment if the fine is not paid.~~

*increase or decrease the statutory time period of the sentence by up to 15 percent. If the length of the sentence imposed is increased or decreased, consecutive sentences imposed for multiple offenses, or an extended term of imprisonment is imposed, the sentencing court shall state the reasons for the increase, decrease, imposition of consecutive sentences, or imposition of an extended term in a memorandum accompanying the imposition of sentence.*

*Subd. 2. An appeal from the district court to the supreme court of the increased or decreased sentence or consecutive sentences or an extended term imposed may be filed by a defendant.*

*Subd. 3. On appeal pursuant to subdivision 2 the supreme court may review the sentence imposed to determine whether the sentence is inconsistent with statutory requirements, is unjustifiably disparate in comparison with cases of a similar nature, or is excessive, unreasonable or inappropriate under the circumstances.*

*This power shall be in addition to all other powers of review presently existing or hereafter conferred by law. Upon consideration of the appeal, the supreme court may dismiss the appeal, affirm, reduce, vacate, or set aside the sentence imposed, remand the cause and direct the entry of an appropriate sentence or order, or direct such further proceedings to be had as may be required under the circumstances. The supreme court shall state the reasons for its actions except when the appeal is dismissed or the sentence is affirmed.*

*Subd. 4. The procedure for taking an appeal under this section shall follow the criminal rules of procedure for an appeal to the supreme court. A dismissal of an appeal brought under this section shall not prejudice any aspect of an appeal brought under any other section.*

*Subd. 5. When an appeal is filed, the clerk of the district court shall certify to the supreme court transcripts of the proceedings, records, reports, documents, and other information relating to the offense of the defendant and to the sentence imposed on him as the supreme court by rule or order may require. Any report or document contained in the record on appeal shall be available to the defendant to the extent that it was available in the trial court.*

*Subd. 6. This section shall not be construed to confer or enlarge any right of a defendant to be released following his conviction pending a determination of his application for leave to appeal or pending an appeal under this section.*

Sec. 14. Minnesota Statutes 1974, Section 609.135, Subdivision 1, is amended to read:

609.135 [STAY OF IMPOSITION OR EXECUTION OF SENTENCE.] Subdivision 1. ~~Except when a sentence of life imprisonment is required by law~~ *Except as herein provided*, any court, including a justice of the peace to the extent otherwise authorized by law, may stay imposition or execution of sentence and place the defendant on probation with or without supervision and on such terms as the court may prescribe. The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony, by the commissioner of corrections, or in any case by some other suitable and consenting person. *The execution or imposition of sentence may not be stayed:*

*(a) upon a conviction for a violation of 609.185, 609.19, 609.342; or*

*(b) in any case in which the defendant is being convicted for a third felony and he has been convicted and sentenced within the past ten years for two other felonies, or combination of felony offenses, if at least one of the three felony convictions was for a crime against the person or a crime wherein the defendant had in his possession a firearm. In addition, an extended term of imprisonment hearing shall be held in any case where the imposition or execution of sentence is not permitted to be stayed. An extended term of imprisonment may be imposed if:*

(1) Notice is served on the defendant or on his attorney advising him of the hearing at least fourteen days prior to the hearing;

(2) A summary hearing is held pursuant to the notice to consider evidence for and against the imposition of an extended term of imprisonment; and

(3) The court finds:

(a) that the defendant has been sentenced within the past ten years for two other felonies, or combination of felony offenses, and at least one of the three felony convictions was for a crime against the person or a crime wherein the defendant had in his possession a firearm; or

(b) that the defendant in the commission of the felony for which he is presently being sentenced inflicted on another death or permanent or protracted loss of the function of any bodily member or organ.

If an extended term of imprisonment is imposed, the court shall impose a sentence of a determinate number of years which is not less than the term of years established for the felony for which the defendant is presently being sentenced and not more than three times that term.

Sec. 15. Minnesota Statutes 1974, Section 609.145, Subdivision 1, is amended to read:

609.145 [CREDIT FOR PRIOR IMPRISONMENT.] Subdivision 1. When a person has been imprisoned pursuant to a conviction which is set aside and is thereafter convicted of a crime growing out of the same act or omission, the ~~maximum~~ period of imprisonment to which he ~~may be~~ is sentenced is reduced by the period of the prior imprisonment and the time earned thereby in diminution of sentence. ~~If sentence is for less than this maximum, the prior imprisonment and time earned in diminution of sentence shall be credited toward the sentence unless the court otherwise directs.~~

Sec. 16. Minnesota Statutes 1974, Section 609.165, Subdivision 2, is amended to read:

Subd. 2. The discharge may be:

(1) By order of the court following stay of sentence or stay of execution of sentence; or

(2) By order of the Minnesota corrections authority prior to expiration of sentence; or

(3) Upon expiration of sentence *as reduced by good time earned, if any*.

Sec. 17. Minnesota Statutes 1974, Section 609.17, Subdivision 4, is amended to read:

Subd. 4. *An attempt to commit a crime is punishable as follows: Whoever attempts to commit a crime punishable as a felony may shall be sentenced as follows:*

~~(1) If the maximum sentence provided for the crime is life imprisonment, to not more than 20 years; or~~

~~(2) For any other attempt to not more than one half of the maximum imprisonment or fine or both provided for the crime attempted, but such maximum in any case shall not be less than imprisonment for 90 days or a fine of \$100; whoever attempts to commit any other crime may be sentenced to one half of the maximum imprisonment or fine provided for the crime attempted, but the maximum in no case shall be less than imprisonment for 90 days or a fine of \$300.~~

Sec. 18. Minnesota Statutes 1974, Section 609.175, Subdivision 2, is amended to read:

Subd. 2. [TO COMMIT CRIME.] Whoever conspires with another to commit a crime and in furtherance of the conspiracy one or more of the parties does some overt act in furtherance of such conspiracy ~~may be sentenced as follows:~~

~~(1) May be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both if the crime intended is a misdemeanor by a sentence to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both; or~~

~~(2) May be sentenced to imprisonment or to payment of a fine of not more than one half the imprisonment or fine provided if the crime intended is a gross misdemeanor murder in the first degree or treason; to imprisonment for not more than 20 years; or~~

~~(3) Shall be sentenced if the crime intended is any other felony or a gross misdemeanor, to imprisonment or to payment of a fine of not more than for one half the imprisonment or fine provided for that if the crime intended is a felony or gross misdemeanor or both.~~

Sec. 19. Minnesota Statutes, 1975 Supplement, Section 609.185, is amended to read:

609.185 [MURDER IN THE FIRST DEGREE.] Whoever does either of the following is guilty of murder in the first degree and shall be sentenced to ~~imprisonment for life a term of 20 years:~~

(1) Causes the death of a human being with premeditation and with intent to effect the death of such person or of another; or

(2) Causes the death of a human being while committing or attempting to commit criminal sexual conduct in the first or second degree with force or violence, either upon or affecting such person or another.

Sec. 20. Minnesota Statutes 1974, Section 609.19, is amended to read:

609.19 [MURDER IN THE SECOND DEGREE.] Whoever causes the death of a human being with intent to effect the death of such person or another, but without premeditation, is guilty of murder in the second degree and ~~may~~ shall be sentenced to imprisonment for ~~not more than 40~~ 16 years.

Sec. 21. Minnesota Statutes 1974, Section 609.195, is amended to read:

**609.195 [MURDER IN THE THIRD DEGREE.]** Whoever, without intent to effect the death of any person, causes the death of another by either of the following means, is guilty of murder in the third degree and *may shall* be sentenced to imprisonment for ~~not more than 25~~ *ten* years:

(1) Perpetrates an act eminently dangerous to others and evincing a depraved mind, regardless of human life; or

(2) Commits or attempts to commit a felony upon or affecting the person whose death was caused or another, except rape or sodomy with force or violence within the meaning of section 609.185.

Sec. 22. Minnesota Statutes 1974, Section 609.20, is amended to read:

**609.20 [MANSLAUGHTER IN THE FIRST DEGREE.]** Whoever does any of the following is guilty of manslaughter in the first degree and *may shall* be sentenced to imprisonment for ~~not more than 15 years or to payment of a fine of not more than \$15,000, or both six years :~~

(1) Intentionally causes the death of another person in the heat of passion provoked by such words or acts of another as would provoke a person ~~or~~ *of* ordinary self-control under like circumstances; or

(2) Causes the death of another in committing or attempting to commit a crime with such force and violence that death of or great bodily harm to any person was reasonably foreseeable, and murder in the first or second degree was not committed thereby; or

(3) Intentionally causes the death of another person because the actor is coerced by threats made by someone other than his co-conspirator and which cause him reasonably to believe that his act is the only means of preventing imminent death to himself or another.

Sec. 23. Minnesota Statutes 1974, Section 609.205, is amended to read:

**609.205 [MANSLAUGHTER IN THE SECOND DEGREE.]** Whoever causes the death of another by any of the following means is guilty of manslaughter in the second degree and *may shall* be sentenced to imprisonment for ~~not more than seven years or to payment of a fine of not more than \$7,000, or both three years :~~

(1) By his culpable negligence whereby he creates an unreasonable risk, and consciously takes chances of causing death or great bodily harm to another; or

(2) By shooting another with a firearm or other dangerous weapon as a result of negligently believing him to be a deer or other animal; or

(3) By setting a spring gun, pit fall, deadfall, snare, or other like dangerous weapon or device; or

(4) By negligently or intentionally permitting any animal, known by him to have vicious propensities, to go at large, or negligently failing to keep it properly confined, and the victim was not at fault.

Sec. 24. Minnesota Statutes 1974, Section 609.21, is amended to read:

609.21 [CRIMINAL NEGLIGENCE RESULTING IN DEATH.] Whoever operates a vehicle as defined in Minnesota Statutes, Section 169.01, Subdivision 2, or an aircraft or watercraft, in a grossly negligent manner and thereby causes the death of a human being not constituting murder or manslaughter is guilty of criminal negligence in the operation of a vehicle resulting in death and ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years .~~

Sec. 25. Minnesota Statutes 1974, Section 609.215, is amended to read:

609.215 [SUICIDE.] Subdivision 1. [AIDING SUICIDE.] Whoever intentionally advises, encourages, or assists another in taking his own life ~~may shall~~ be sentenced to imprisonment for ~~not more than 15 years or to payment of a fine of not more than \$15,000, or both six years .~~

Subd. 2. [AIDING ATTEMPTED SUICIDE.] Whoever intentionally advises, encourages, or assists another who attempts but fails to take his own life ~~may shall~~ be sentenced to imprisonment for ~~not more than seven years or to payment of a fine of not more than \$7,000, or both three years .~~

Sec. 26. Minnesota Statutes 1974, Section 609.225, is amended to read:

609.225 [AGGRAVATED ASSAULT.] Subdivision 1. Whoever assaults another and inflicts great bodily harm ~~may shall~~ be sentenced to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years .~~

Subd. 2. Whoever assaults another with a dangerous weapon but without inflicting great bodily harm ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years .~~

Sec. 27. Minnesota Statutes 1974, Section 609.235, is amended to read:

609.235 [USE OF DRUGS TO INJURE OR FACILITATE CRIME.] Whoever administers to another or causes another to take any poisonous, stupefying, overpowering, narcotic or anesthetic substance with intent thereby to injure or to facilitate the commission of a crime ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years .~~

Sec. 28. Minnesota Statutes 1974, Section 609.24, is amended to read:

609.24 [SIMPLE ROBBERY.] Whoever, knowing he is not entitled thereto, takes personal property from the person or in the presence of another and uses or threatens the imminent use of force against any person to overcome his resistance or powers of resistance to, or to compel acquiescence in, the taking or carrying away of the property is guilty of robbery and *may shall* be sentenced to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~.

Sec. 29. Minnesota Statutes 1974, Section 609.245, is amended to read:

609.245 [AGGRAVATED ROBBERY.] Whoever, while committing a robbery, is armed with a dangerous weapon or inflicts bodily harm upon another is guilty of aggravated robbery and *may shall* be sentenced to imprisonment for ~~not more than 20 years or to payment of a fine of not more than \$20,000, or both eight years~~.

Sec. 30. Minnesota Statutes 1974, Section 609.25, Subdivision 2, is amended to read:

Subd. 2. [SENTENCE.] Whoever violates subdivision 1 *may shall* be sentenced as follows:

(1) If the victim is released in a safe place without great bodily harm, to imprisonment for ~~not more than 20 years or to payment of a fine of not more than \$20,000, or both eight years~~; or

(2) Otherwise to imprisonment for ~~not more than 40 years or to payment of fine of not more than \$40,000, or both 16 years~~.

Sec. 31. Minnesota Statutes 1974, Section 609.255, is amended to read:

609.255 [FALSE IMPRISONMENT.] Whoever, knowing he has no lawful authority to do so, intentionally confines or restrains a child not his own under the age of 18 years without his parent's or legal custodian's consent, or any other person without his consent, is guilty of false imprisonment and *may shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day~~.

Sec. 32. Minnesota Statutes 1974, Section 609.26, is amended to read:

609.26 [DETAINING OWN CHILD.] Whoever intentionally detains his own child under the age of 18 years outside the state of Minnesota, with intent to deny another's rights under an existing court order may be sentenced to imprisonment for not more than ~~two years one year~~ or to payment of a fine of not more than ~~\$2,000 \$1,000~~, or both.

Sec. 33. Minnesota Statutes 1974, Section 609.27, Subdivision 2, is amended to read:

Subd. 2. [SENTENCE.] Whoever violates subdivision 1 ~~may~~ *shall* be sentenced as follows:

(1) To imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both if neither the pecuniary gain received by the violator nor the loss suffered by the person threatened or another as a result of the threat exceeds \$100, or the benefits received or harm sustained are not susceptible of pecuniary measurement; or

(2) To imprisonment for ~~not more than five years~~ or to payment of a fine of ~~not more than \$5,000~~, or both *two years*, if such pecuniary gain or loss is more than \$100 but less than \$2,500; or

(3) To imprisonment for ~~not more than ten years~~ or to payment of a fine of ~~not more than \$10,000~~, or both *four years*, if such pecuniary gain or loss is \$2,500, or more.

Sec. 34. Minnesota Statutes 1974, Section 609.293, Subdivision 2, is amended to read:

Subd. 2. [AGGRAVATED SODOMY.] Whoever under any of the following circumstances commits an act of sodomy upon another or causes him to participate in any act of sodomy, without the other's consent, commits aggravated sodomy and ~~may~~ *shall* be sentenced to imprisonment for ~~not more than 30~~ *12* years :

(1) The victim's resistance is overcome by force; or

(2) The victim's resistance is prevented by reasonable fear of immediate and great bodily harm to the victim or another; or

(3) The victim is unconscious, physically powerless to resist, or incapable of giving consent through mental illness or defect and the condition is known or reasonably should have been known to the actor.

Sec. 35. Minnesota Statutes 1974, Section 609.293, Subdivision 3, is amended to read:

Subd. 3. [SODOMY.] Whoever commits an act of sodomy upon another or causes him to participate in an act of sodomy, with the other's consent obtained under any of the following circumstances ~~may~~ *shall* be sentenced to imprisonment for ~~not more than ten~~ *four* years.

(1) He misleads the victim as to the nature of this act being committed; or

(2) The victim's will to resist is destroyed by drug or intoxicant and the condition is known or reasonably should have been known to the actor.

Sec. 36. Minnesota Statutes 1974, Section 609.293, Subdivision 4, is amended to read:

Subd. 4. [SODOMY UPON OR WITH CHILD.] Whoever commits an act of sodomy upon or with any child under the age of 18 years, not his spouse, whether or not the act is also a violation of subdivision 2 or 3 and notwithstanding the consent of the child, ~~may~~ *shall* be sentenced as follows:

- (1) If the child is under the age of ten years, to imprisonment for ~~not more than 30~~ 12 years; or
- (2) If the child is ten years of age but under the age of 14 years, to imprisonment for ~~not more than 20~~ eight years; or
- (3) If the child is over the age of 14 years, to imprisonment for ~~not more than 10~~ four years.

Sec. 37. Minnesota Statutes 1974, Section 609.31, is amended to read:

609.31 [LEAVING THE STATE TO EVADE ESTABLISHMENT OF PATERNITY.] Whoever with intent to evade proceedings to establish his paternity leaves the state knowing that a woman with whom he has had sexual intercourse is pregnant or has given birth within the previous 60 days to a living child may be sentenced to imprisonment for not more than ~~two years~~ one year or to payment of a fine of not more than ~~\$2,000~~ \$1,000, or both.

Sec. 38. Minnesota Statutes 1974, Section 609.32, is amended to read:

609.32 [PROSTITUTION.] Subdivision 1. [DEFINITIONS.] (1) "Prostitution" means engaging or offering or agreeing to engage for hire in sexual intercourse, as defined in section 609.29, or sodomy as defined in section 609.293, subdivision 1.

(2) A "place of prostitution" is a house or other place where prostitution is practiced or from which prostitution is promoted.

Subd. 2. [ACTS PROHIBITED.] Whoever intentionally does any of the following *may shall* be sentenced to imprisonment for ~~not more than ten years~~ or to payment of a fine of not more than \$10,000, or both four years :

- (1) Solicits or induces another under the age of 18 years to practice prostitution; or
- (2) Being a parent, guardian, or other custodian of the person of a child under the age of 18 years consents to his being taken or detained for the purposes of prostitution.

Subd. 3. [OTHER ACTS PROHIBITED.] Whoever intentionally does any of the following *may shall* be sentenced to imprisonment for ~~not more than five years~~ or to payment of a fine of not more than \$5,000, or both two years :

- (1) Keeps a place of prostitution; or
- (2) Leases or otherwise permits premises owned by him or under his control to be used as a place of prostitution; or
- (3) Solicits or induces another over the age of 18 years to practice prostitution; or
- (4) Solicits another under the age of 18 years to have sexual intercourse or to commit sodomy with a prostitute or admits him to a place of prostitution; or

(5) Engages as a prostitute in an act of sexual intercourse or sodomy with another under the age of 18 years; or

(6) Transports a prostitute from one place of prostitution within the state to another such place within or without the state, or brings a prostitute into the state, for the purpose of prostitution.

Subd. 4. [FURTHER ACTS PROHIBITED.] Whoever intentionally does any of the following may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000 or both:

(1) Engages in prostitution; or

(2) Is supported in whole or in part by the earnings of a prostitute; or

(3) Solicits for a prostitute, directs, takes, or transports another to a prostitute or place of prostitution, or brings a prostitute to him, for the purpose of sexual intercourse or sodomy with a prostitute.

(4) Hires or offers or agrees to hire another person to engage in sexual intercourse or sodomy.

Sec. 39. Minnesota Statutes, 1975 Supplement, Section 609.342, is amended to read:

609.342 [CRIMINAL SEXUAL CONDUCT IN THE FIRST DEGREE.] A person is guilty of criminal sexual conduct in the first degree and ~~may~~ shall be sentenced to imprisonment for ~~not more than 20~~ eight years, if he engages in sexual penetration with another person and if any of the following circumstances exists:

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

(b) The complainant is at least 13 but less than 16 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 coerce the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

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

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

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

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

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

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

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

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

Sec. 40. Minnesota Statutes, 1975 Supplement, Section 609.343, is amended to read:

609.343 [CRIMINAL SEXUAL CONDUCT IN THE SECOND DEGREE.] A person is guilty of criminal sexual conduct in the second degree and ~~may~~ *shall* be sentenced to imprisonment for ~~not more than 15~~ *six* years if he engages in sexual contact with another person and if any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; 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 and in a position of authority over the complainant, and uses this authority to coerce the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

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

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

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

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

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

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

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

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

Sec. 41. Minnesota Statutes, 1975 Supplement, Section 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 shall* be sentenced to imprisonment for ~~not more than ten~~ *four* years, 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 and not in a position of authority over 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.

Sec. 42. Minnesota Statutes, 1975 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 shall* be sentenced to imprisonment for ~~not more than five~~ *two* years, 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 no less 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; 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 coerce 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 reasonably 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.

Sec. 43. Minnesota Statutes 1974, Section 609.355, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever does any of the following is guilty of bigamy and ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ :

(1) Contracts a marriage in this state with knowledge that his prior marriage is not dissolved; or

(2) Contracts a marriage in this state with knowledge that the prior marriage of the person he marries is not dissolved; or

(3) Cohabits in this state with a person whom he married outside this state with knowledge that his own prior marriage has not been dissolved or with knowledge that the prior marriage of the person he married had not been dissolved.

Sec. 44. Minnesota Statutes 1974, Section 609.365, is amended to read:

609.365 [INCEST.] Whoever has sexual intercourse with another nearer of kin to him than first cousin, computed by rules of the civil law, whether of the half or the whole blood, with knowledge of the relationship, is guilty of incest and ~~may shall~~ be sentenced to imprisonment for ~~not more than ten four~~ years.

Sec. 45. Minnesota Statutes 1974, Section 609.375, Subdivision 2, is amended to read:

Subd. 2. If the knowing omission and failure without lawful excuse to provide care and support to a minor child or a pregnant wife continues for a period in excess of 90 days such person is guilty of a felony and ~~may shall~~ be sentenced to imprisonment for ~~not more than five two~~ years.

Sec. 46. Minnesota Statutes 1974, Section 609.39, is amended to read:

609.39 [MISPRISION OF TREASON.] Whoever, owing allegiance to this state and having knowledge of the commission of treason against this state, does not, as soon as may be, disclose and make known the same to the governor or a judge of the

supreme court or of the district court, is guilty of misprision of treason against this state and *may shall* be sentenced to imprisonment for *not more than five years or to payment of a fine of not more than \$5,000, or both two years* .

Sec. 47. Minnesota Statutes 1974, Section 609.395, is amended to read:

609.395 [STATE MILITARY FORCES; INTERFERING WITH, OBSTRUCTING, OR OTHER.] Whoever, when the United States is at war, does either of the following *may shall* be sentenced to imprisonment for *not more than 20 years or to payment of a fine of not more than \$20,000, or both eight years* :

(1) Intentionally makes or conveys false reports or statements with intent to interfere with the operation or success of the military or naval forces of this state; or

(2) Intentionally causes or incites insubordination, disloyalty, mutiny, or refusal of duty in the military or naval forces of this state, or obstructs the recruiting or enlistment service of this state.

Sec. 48. Minnesota Statutes 1974, Section 609.405, Subdivision 2, is amended to read:

Subd. 2. [ACTS PROHIBITED.] Whoever does any of the following *may shall* be sentenced to imprisonment for *not more than five years or to payment of a fine of not more than \$5,000, or both two years* :

(1) Orally or by means of writing advocates or promotes the doctrine of criminal syndicalism; or

(2) Intentionally organizes or becomes a member of any assembly, group, or organization which he knows is advocating or promoting the doctrine of criminal syndicalism; or

(3) For or on behalf of another person, distributes, sells, publishes, or publicly displays any writing, which is intended by that person to be used to, and which does, advocate or promote the doctrine of criminal syndicalism.

Sec. 49. Minnesota Statutes 1974, Section 609.42, Subdivision 1, is amended to read:

609.42 [BRIBERY.] Subdivision 1. [ACTS CONSTITUTING.] Whoever does any of the following is guilty of bribery and *may shall* be sentenced to imprisonment for *not more than ten years or to payment of a fine of not more than \$10,000, or both four years* :

(1) Offers, gives, or promises to give, directly or indirectly, to any public officer or employee any benefit, reward or consideration to which he is not legally entitled with intent thereby to influence such officer or employee with respect to the performance of his powers or duties as such officer or employee; or

(2) Being a public officer or employee, requests, receives or agrees to receive, directly or indirectly, any such benefit, reward

or consideration upon the understanding that he will be so influenced; or

(3) Offers, gives, or promises to give, directly or indirectly any such benefit, reward, or consideration to a witness or one who is about to become a witness in a proceeding before a judicial or hearing officer, with intent that his testimony be influenced thereby, or that he will absent himself from the proceeding; or

(4) By any other means induces a witness or one who is about to become a witness to withhold his true testimony or to absent himself from the proceeding; or

(5) Is, or is about to become such witness and requests, receives, or agrees to receive, directly or indirectly, any such benefit, reward, or consideration upon the understanding that his testimony will be so influenced, or that he will absent himself from the proceeding; or

(6) Accepts directly or indirectly a benefit, reward or consideration upon an agreement or understanding, express or implied, that he will refrain from giving information that may lead to the prosecution of a crime or purported crime or that he will abstain from, discontinue, or delay prosecution therefor, except in a case where a compromise is allowed by law.

Sec. 50. Minnesota Statutes 1974, Section 609.425, is amended to read:

609.425 [CORRUPTLY INFLUENCING LEGISLATOR.] Whoever by menace, deception, concealment of facts, or other corrupt means, attempts to influence the vote or other performance of duty of any member of the legislature or person elected thereto ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years .~~

Sec. 51. Minnesota Statutes 1974, Section 609.445, is amended to read:

609.445 [FAILURE TO PAY OVER STATE FUNDS.] Whoever receives money on behalf of or for the account of the state or any of its agencies or subdivisions and intentionally refuses or omits to pay the same to the state or its agency or subdivision entitled thereto, or to an officer or agent authorized to receive the same, ~~may shall~~ be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day .~~

Sec. 52. Minnesota Statutes 1974, Section 609.455, is amended to read:

609.455 [PERMITTING FALSE CLAIMS AGAINST GOVERNMENT.] A public officer or employee who audits, allows, or pays any claim or demand made upon the state or subdivision thereof or other governmental instrumentality within the state which he knows is false or fraudulent in whole or in part, ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years .~~

Sec. 53. Minnesota Statutes 1974, Section 609.465, is amended to read:

609.465 [PRESENTING FALSE CLAIMS TO PUBLIC OFFICER OR BODY.] Whoever, with intent to defraud, presents a claim or demand, which to his knowledge is false in whole or in part, for audit, allowance or payment to a public officer or body authorized to make such audit, allowance or payment is guilty of an attempt to commit theft of public funds and ~~may~~ *shall* be sentenced accordingly.

Sec. 54. Minnesota Statutes 1974, Section 609.48, Subdivision 1, is amended to read:

609.48 [PERJURY.] Subdivision 1. [ACTS CONSTITUTING.] Whoever makes a false material statement which he does not believe to be true in any of the following cases is guilty of perjury and ~~may~~ *shall* be sentenced as provided in subdivision 4:

(1) In or for an action, hearing or proceeding of any kind in which the statement is required or authorized by law to be made under oath or affirmation; or

(2) In any writing which is required or authorized by law to be under oath or affirmation; or

(3) In any other case in which the penalties for perjury are imposed by law and no specific sentence is otherwise provided.

Sec. 55. Minnesota Statutes 1974, Section 609.48, Subdivision 4, is amended to read:

Subd. 4. [SENTENCE.] Whoever violates this section ~~may~~ *shall* be sentenced as follows:

(1) If the false statement was made upon the trial of a felony charge, or upon an application for an explosives license or use permit, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ ; or

(2) In all other cases, to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day~~ .

Sec. 56. Minnesota Statutes 1974, Section 609.485, Subdivision 4, is amended to read:

Subd. 4. [SENTENCE.] Whoever violates this section ~~may~~ *shall* be sentenced as follows:

(1) If the person who escapes is in lawful custody on a charge or conviction of a felony, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ .

(2) If such charge or conviction is for a gross misdemeanor, to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both.

(3) If such charge or conviction is for a misdemeanor, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both.

(4) If the escape was effected by violence or threat of violence against a person, the sentence ~~may~~ *shall* be increased to ~~not more than~~ twice those permitted in clauses (1), (2), and (3).

(5) Unless a concurrent term is specified by the court, a sentence under this section shall be consecutive to any sentence previously imposed or which may be imposed for any crime or offense for which the person was in custody when he escaped.

Sec. 57. Minnesota Statutes 1974, Section 609.495, Subdivision 1, is amended to read:

609.495 [AIDING AN OFFENDER TO AVOID ARREST.] Subdivision 1. Whoever harbors, conceals or aids another known by him to have committed a felony under the laws of this or another state or of the United States with intent that such offender shall avoid or escape from arrest, trial, conviction, or punishment, ~~may~~ *shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day~~.

Sec. 58. Minnesota Statutes, 1975 Supplement, Section 609.52, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING THEFT.] Whoever does any of the following commits theft and ~~may~~ *shall* be sentenced as provided in subdivision 3:

(1) Intentionally and without claim of right takes, uses, transfers, conceals or retains possession of movable property of another without his consent and with intent to deprive the owner permanently of possession of the property; or

(2) Having a legal interest in movable property, intentionally and without consent, takes such property out of the possession of a pledgee or other person having a superior right of possession, with intent thereby to deprive the pledgee or other person permanently of the possession of the property; or

(3) Obtains for himself or another the possession, custody or title to property of a third person by intentionally deceiving him with a false representation which is known to be false, made with intent to defraud, and which does defraud the person to whom it is made. "False representation" includes without limitation:

(a) The issuance of a check, draft, or order for the payment of money or the delivery of property knowing that he is not entitled to draw upon the drawee therefor or to order the payment or delivery thereof; or

(b) A promise made with intent not to perform. Failure to perform is not evidence of intent not to perform unless corroborated by other substantial evidence; or

(c) The unauthorized use of a credit card, credit plate, charge plate, or other identification device issued by an organization to a person for use in purchasing goods on credit; or

(4) By swindling, whether by artifice, trick, device, or any other means, obtains property from another person; or

(5) Intentionally commits any of the acts listed in this subdivision but with intent to exercise temporary control only and;

(a) The control exercised manifests an indifference to the rights of the owner or the restoration of the property to him; or

(b) He pledges or otherwise attempts to subject the property to an adverse claim; or

(c) He intends to restore the property only on condition that the owner pay a reward or buy back or make other compensation; or

(6) Finds lost property and, knowing or having reasonable means of ascertaining the true owner, appropriates it to his own use or to that of another not entitled thereto without first having made reasonable effort to find the owner and offer and surrender the property to him; or

(7) Intentionally obtains property or services, offered upon the deposit of a sum of money or tokens in a coin or token operated machine or other receptacle, without making the required deposit or otherwise obtaining the consent of the owner; or

(8) Intentionally and without claim of right converts any article representing a trade secret, knowing it to be such, to his own use or that of another person or makes a copy of an article representing a trade secret, knowing it to be such, and intentionally and without claim of right converts the same to his own use or that of another person. It shall be a complete defense to any prosecution under this clause for the defendant to show that information comprising the trade secret was rightfully known or available to him from a source other than the owner of the trade secret; or

(9) Leases or rents personal property under a written instrument and who with intent to place such property beyond the control of the lessor conceals or aids or abets the concealment of such property or any part thereof, or any lessee of such property who sells, conveys or encumbers such property or any part thereof without the written consent of the lessor, without informing the person to whom he sells, conveys, or encumbers that the same is subject to such lease and with intent to deprive the lessor of possession thereof. Evidence that a lessee used a false or fictitious name or address in obtaining such property or fails or refuses to return such property to lessor within five days after written demand for such return has been served personally in the manner provided for service of process of a civil action or sent by registered or certified mail to the last known address of the lessee, whichever shall occur later, shall be evidence of in-

tent to violate this clause. Service by certified or registered mail shall be deemed to be complete upon deposit in the United States mail of such demand, postpaid and addressed to such person at the address for such person set forth in the lease or rental agreement, or, in the absence of such address, to such person's last known place of residence; or

(10) Alters, removes or obliterates numbers or symbols placed on movable property for purpose of identification by the owner or person who has legal custody or right to possession thereof with the intent to prevent identification, if the person who alters, removes or obliterates the numbers or symbols is not the owner and does not have the permission of the owner to make the alteration, removal or obliteration.

Sec. 59. Minnesota Statutes 1974, Section 609.52, Subdivision 3, is amended to read:

Subd. 3. [SENTENCE.] Whoever commits theft ~~may~~ *shall* be sentence as follows:

(1) To imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~, if the value of the property or services stolen exceeds \$2,500; or

(2) To imprisonment for ~~not more than five or to payment of a fine of not more than \$5,000, or both two years~~, if the value of the property or services is more than \$100 but not more than \$2,500; or

(3) To imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~, notwithstanding the value of the property or services if not more than \$100, if any of the following circumstances exist:

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

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

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

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

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

(5) In all other cases where the value of the property or services is \$100 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both, provided, however, in any prosecution under clause (1), clause (2), clause (3) (a) and (c), and clause (4) of subdivision 2 the value of the

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

Sec. 60. Minnesota Statutes, 1975 Supplement, Section 609.521, is amended to read:

609.521 [POSSESSION OF SHOPLIFTING GEAR.] Whoever has in his possession any device, gear, or instrument specially designed to assist in shoplifting with intent to use the same to shoplift and thereby commit theft *may shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day~~.

Sec. 61. Minnesota Statutes 1974, Section 609.525, Subdivision 1, is amended to read:

609.525 [BRINGING STOLEN GOODS INTO STATE.] Subdivision 1. Whoever brings property into the state which he has stolen outside the state, or received outside of the state knowing it to have been stolen, ~~may shall~~ be sentenced in accordance with the provisions of section 609.52, subdivision 3. He may be charged, indicted, and tried in any county, but not more than one county, into or through which he has brought such property.

Sec. 62. Minnesota Statutes 1974, Section 609.53, Subdivision 1, is amended to read:

609.53 [RECEIVING STOLEN GOODS.] Subdivision 1. Any person who receives, buys or conceals any stolen property or property obtained by robbery, knowing the same to be stolen or obtained by robbery, *may shall* be sentenced as follows:

(1) If the value of the property received, bought or concealed is \$100 or more, to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~ :

(2) If the value of the property received, bought or concealed is less than \$100, to punishment as a misdemeanor.

Sec. 63. Minnesota Statutes 1974, Section 609.53, Subdivision 3, is amended to read:

Subd. 3. Any person convicted of a second or subsequent violation under subdivision 2 within a period of one year *may shall* be sentenced as provided in subdivision 1, clause (1).

Sec. 64. Minnesota Statutes 1974, Section 609.54, is amended to read:

609.54 [EMBEZZLEMENT OF PUBLIC FUNDS.] Whoever does an act which constitutes embezzlement under the provisions of Minnesota Constitution, Article IX, Section 12 ~~may shall~~ be sentenced as follows:

(1) If the value of the funds so embezzled is \$2,500, or less, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years ; or~~

(2) If such value is more than \$2,500, to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years .~~

Sec. 65. Minnesota Statutes 1974, Section 609.55, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever intentionally takes or drives a motor vehicle without the consent of the owner or his authorized agent ~~may shall~~ be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day .~~

Sec. 66. Minnesota Statutes, 1975 Supplement, Section 609.551, Subdivision 1, is amended to read:

609.551 [RUSTLING AND LIVESTOCK THEFT; PENALTIES.] Subdivision 1. Whoever intentionally and without claim of right shoots, kills, takes, uses, transfers, conceals or retains possession of live cattle, swine or sheep or the carcasses thereof belonging to another without his consent and with the intent to permanently deprive the owner thereof ~~may shall~~ be sentenced as follows:

(a) If the value of the animals which are shot, killed, taken, used, transferred, concealed or retained exceeds \$2,500, the defendant ~~may shall~~ be sentenced to imprisonment for ~~not more than ten four years ; and may be fined up to \$10,000 ;~~

(b) If the value of the animals which are shot, killed, taken, used, transferred, concealed or retained exceeds \$100 but is less than \$2,500, the defendant ~~may shall~~ be sentenced to imprisonment for ~~not more than five two years ; and may be fined up to \$5,000 ;~~

(c) If the value of the animals which are shot, killed, taken, used, transferred, concealed, or retained is \$100 or less, the defendant may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$300 or both.

Sec. 67. Minnesota Statutes 1974, Section 609.56, is amended to read:

609.56 [AGGRAVATED ARSON.] Whoever, by means of fire or explosives, intentionally destroys or damages a dwelling house or other property, real or personal, whether his own or that of another, and thereby creates an imminent danger to life or risk of great bodily harm commits aggravated arson and ~~may shall~~ be sentenced to imprisonment for ~~not more than 25 years or to payment of a fine of not more than \$25,000 or both ten years if the danger or risk was known or reasonably foreseeable.~~

Sec. 68. Minnesota Statutes 1974, Section 609.565, is amended to read:

609.565 [SIMPLE ARSON.] Whoever, by means of fire or explosives, intentionally damages or destroys any property of another without his consent is guilty of simple arson, if the act does not constitute aggravated arson, and may *shall* be sentenced as follows:

(1) To imprisonment for ~~not more than five years~~ or to payment of a ~~fine of not more than \$5,000~~, or ~~both two years~~, if:

(a) The property intended by the actor to be damaged or destroyed had a value of \$100 or more; or

(b) Property of the value of \$100 or more was unintentionally damaged or destroyed but such damage or destruction could reasonably have been foreseen; or

(c) The property specified in clauses (a) and (b) in the aggregate had a value of \$100 or more; or

(2) To imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both in all other cases.

Sec. 69. Minnesota Statutes 1974, Section 609.58, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever enters a building without the consent of the person in lawful possession, with intent to commit a crime therein, or whoever remains within a building without the consent of the person in lawful authority, with intent to commit a crime therein, commits burglary and may *shall* be sentenced as follows:

(1) To imprisonment for ~~not more than 20 years~~ or to payment of a ~~fine of not more than \$20,000~~, or ~~both eight years~~, if:

(a) When entering or while in the building, he possesses an explosive or tool to gain access to money or property; or

(b) The building entered is a dwelling and he possesses a dangerous weapon when entering or while in the building or he commits an assault upon a person present therein; or

(c) The portion of the building entered contains a banking business or other business of receiving securities or other valuable papers for deposit or safekeeping, the entry is with force or threat of force, the intent is to steal or commit a felony therein.

(2) To imprisonment for ~~not more than ten years~~ or to payment of a ~~fine of not more than \$10,000~~, or ~~both four years~~, if the building entered is a dwelling and another person not an accomplice is present therein.

(3) In any other case, to imprisonment for ~~not more than five years~~ or to payment of a ~~fine of not more than \$5,000~~, or ~~both two years~~, if the intent is to steal or commit a felony or gross misdemeanor or to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both, if the intent is to commit a misdemeanor.

Sec. 70. Minnesota Statutes 1974, Section 609.59, is amended to read:

609.59 [POSSESSION OF BURGLARY TOOLS.] Whoever has in his possession any device, explosive, or other instrumentality with intent to use or permit the use of the same to commit burglary *may shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day .~~

Sec. 71. Minnesota Statutes 1974, Section 609.595, Subdivision 1, is amended to read:

609.595 [DAMAGE TO PROPERTY.] Subdivision 1. [AGGRAVATED CRIMINAL DAMAGE TO PROPERTY.] Whoever intentionally causes damage to physical property of another without the latter's consent *may shall* be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years , if:~~

(1) The damage to the property caused a reasonably foreseeable risk of bodily harm; or

(2) The property damaged belongs to a public utility or a common carrier and the damage impairs the service to the public rendered by them; or

(3) The damage reduces the value of the property by more than \$100 measured by the cost of repair or replacement, whichever is less.

Sec. 72. Minnesota Statutes 1974, Section 609.60, is amended to read:

609.60 [DANGEROUS TRESPASSES AND OTHER ACTS.] Whoever intentionally does any of the following is guilty of a misdemeanor; except, if to his knowledge a risk of death or bodily harm or serious property damage is thereby created, he *may shall* be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years :~~

(1) Smokes in the presence of explosives or inflammable materials; or

(2) Interferes with or obstructs the prevention or extinguishing of any fire, or disobeys the lawful orders of a law enforcement officer or fireman present at the fire; or

(3) Shows a false light or signal or interferes with any light, signal, or sign controlling or guiding traffic upon a highway, railway track, navigable waters, or in the air; or

(4) Places an obstruction upon a railroad track; or

(5) Exposes another or his property to an obnoxious or harmful gas, fluid or substance, with intent to injure, molest, or coerce.

Sec. 73. Minnesota Statutes 1974, Section 609.61, is amended to read:

609.61 [DEFRAUDING INSURER.] Whoever burns, destroys, or otherwise damages any property with intent to defraud an insurer of that property, when aggravated arson is not committed thereby, ~~may shall~~ be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day~~.

Sec. 74. Minnesota Statutes 1974, Section 609.615, is amended to read:

609.615 [DEFEATING SECURITY ON REALTY.] Whoever removes or damages real property which is subject to a mortgage, mechanic's lien, or contract for deed, with intent to impair the value of the security, without the consent of the security holder, ~~may shall~~ be sentenced as follows:

(1) If the value of the property is impaired by \$100 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both; or

(2) If the value of the property is impaired by more than \$100, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~.

Sec. 75. Minnesota Statutes 1974, Section 609.62, Subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever, with intent to defraud, does any of the following may be sentenced to imprisonment for not more than ~~two years one year~~ or to payment of a fine of not more than ~~\$2,000 \$1,000~~, or both:

(1) Conceals, removes, or transfers any personal property in which he knows that another has a security interest; or

(2) Being an obligor and knowing the location of the property refuses to disclose the same to an obligee entitled to possession thereof.

Sec. 76. Minnesota Statutes 1974, Section 609.625, is amended to read:

609.625 [AGGRAVATED FORGERY.] Subdivision 1. [MAKING OR ALTERING WRITING OR OBJECT.] Whoever, with intent to defraud, falsely makes or alters a writing or object of any of the following kinds so that it purports to have been made by another or by himself under an assumed or fictitious name, or at another time, or with different provisions, or by authority of one who did not give such authority, is guilty of aggravated forgery and ~~may shall~~ be sentenced to imprisonment for ~~not more than ten years or to payment of a fine of not more than \$10,000, or both four years~~ :

(1) A writing or object whereby, when genuine, legal rights, privileges, or obligations are created, terminated, transferred, or evidenced, or any writing normally relied upon as evidence of debt or property rights; or

(2) An official seal or the seal of a corporation; or

(3) A public record or an official authentication or certification of a copy thereof; or

(4) An official return or certificate entitled to be received as evidence of its contents; or

(5) A court order, judgment, decree, or process; or

(6) The records or accounts of a public body, office, or officer; or

(7) The records or accounts of a bank or person, with whom funds of the state or any of its agencies or subdivisions are deposited or entrusted, relating to such funds.

Subd. 2. [MEANS FOR FALSE REPRODUCTION.] Whoever, with intent to defraud, makes, engraves, possesses or transfers a plate or instrument for the false reproduction of a writing or object mentioned in subdivision 1 ~~may~~ *shall* be sentenced as provided in subdivision 1.

Subd. 3. [UTTERING OR POSSESSING.] Whoever, with intent to defraud, utters or possesses with intent to utter any forged writing or object mentioned in subdivision 1, knowing it to have been so forged, ~~may~~ *shall* be sentenced as provided in subdivision 1.

Sec. 77. Minnesota Statutes 1974, Section 609.63, is amended to read:

609.63 [FORGERY.] Subdivision 1. Whoever, with intent to injure or defraud, does any of the following is guilty of forgery and ~~may~~ *shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000; or both one year and one day~~ :

(1) Uses a false writing, knowing it to be false, for the purpose of identification or recommendation; or

(2) Without consent, places, or possesses with intent to place, upon any merchandise an identifying label or stamp which is or purports to be that of another craftsman, tradesman, packer, or manufacturer, or disposes or possesses with intent to dispose of any merchandise so labeled or stamped; or

(3) Falsely makes or alters a membership card purporting to be that of a fraternal, business, professional, or other association, or of any labor union, or possesses any such card knowing it to have been thus falsely made or altered; or

(4) Falsely makes or alters a writing, or possesses a falsely made or altered writing, evidencing a right to transportation on a common carrier; or

(5) Destroys, mutilates, or by alteration, false entry or omission, falsifies any record, account, or other document relating to a private business; or

(6) Without authority of law, destroys, mutilates, or by alteration, false entry, or omission, falsifies any record, account, or

other document relating to a person, corporation, or business, or filed in the office of, or deposited with, any public office or officer; or

(7) Destroys a writing or object to prevent it from being produced at a trial, hearing, or other proceeding authorized by law.

Subd. 2. Whoever, with knowledge that it is forged, offers in evidence in any trial, hearing or other proceedings authorized by law, as genuine, any forged writing or object *may shall* be sentenced as follows:

(1) If the writing or object is offered in evidence in the trial of a felony charge, to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ ; or

(2) In all other cases, to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day~~ .

Sec. 78. Minnesota Statutes 1974, Section 609.635, is amended to read:

609.635 [OBTAINING SIGNATURE BY FALSE PRETENSE.] Whoever, by false pretense, obtains the signature of another to a writing which is a subject of forgery under section 609.625, subdivision 1, *may shall* be punished as therein provided.

Sec. 79. Minnesota Statutes 1974, Section 609.64, is amended to read:

609.64 [RECORDING, FILING OF FORGED INSTRUMENT.] Whoever intentionally presents for filing, registering, or recording, or files, registers, or records a false or forged instrument relating to or affecting real or personal property in a public office entitled to file, register, or record such instrument when genuine *may shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day~~ .

Sec. 80. Minnesota Statutes 1974, Section 609.645, is amended to read:

609.645 [FRAUDULENT STATEMENTS.] Whoever, with intent to injure or defraud, does any of the following *may shall* be sentenced to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day~~ :

(1) Circulates or publishes a false statement, oral or written, relating to a corporation, association, or individual, intending thereby to give a false apparent value to securities issued or to be issued by, or to the property of, such corporation, association, or individual; or

(2) Makes a false ship's or airplane's manifest, invoice, register, or protest.

Sec. 81. Minnesota Statutes 1974, Section 609.65, is amended to read:

609.65 [FALSE CERTIFICATION BY NOTARY PUBLIC.] Whoever, when acting or purporting to act as a notary public or other public officer, certifies falsely that an instrument has been acknowledged or that any other act was performed by a party appearing before him or that as such notary public or other public officer he performed any other official act ~~may shall~~ be sentenced as follows:

(1) If he so certifies with intent to injure or defraud, to imprisonment for ~~not more than three years or to payment of a fine of not more than \$3,000, or both one year and one day~~ ; or

(2) In any other case, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both.

Sec. 82. Minnesota Statutes 1974, Section 609.67, Subdivision 2, is amended to read:

Subd. 2. [ACTS PROHIBITED.] Except as otherwise provided herein, whoever owns, possesses, or operates a machine gun ~~may shall~~ be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years.~~

Sec. 83. Minnesota Statutes 1974, Section 609.71, is amended to read:

609.71 [RIOT.] When three or more persons assembled disturb the public peace by an intentional act or threat of unlawful force or violence to person or property, each participant therein is guilty of riot and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both, or, if the offender, or to his knowledge any other participant, is armed with a dangerous weapon or is disguised, *he shall be sentenced* to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years.~~

Sec. 84. Minnesota Statutes 1974, Section 609.713, is amended to read:

609.713 [TERRORISTIC THREATS.] Subdivision 1. Whoever threatens to commit any crime of violence with purpose to terrorize another or to cause evacuation of a building, place of assembly or facility of public transportation or otherwise to cause serious public inconvenience, or in a reckless disregard of the risk of causing such terror or inconvenience ~~may shall~~ be sentenced to imprisonment for ~~not more than five years two years.~~

Subd. 2. Whoever communicates to another with purpose to terrorize another or in reckless disregard of the risk of causing such terror, that explosives or an explosive device or any incendiary device is present at a named place or location, whether or not the same is in fact present, ~~may shall~~ be sentenced to imprisonment for ~~not more than three years one year and one day.~~

Sec. 85. Minnesota Statutes 1974, Section 609.785, is amended to read:

609.785 [FRAUDULENT LONG DISTANCE TELEPHONE CALLS.] Whoever obtains long distance telephone service by intentionally requesting of the operator that the cost thereof be charged to a false or non-existent telephone or credit card number or to the telephone or credit card number of another without his authority may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both, when the value of the telephone service obtained is not more than \$100; and *shall be sentenced* by imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000,~~ or both *two years*, if the value of the telephone service obtained in a single transaction, or in separate transactions within any six month period, is more than \$100.

Sec. 86. Minnesota Statutes 1974, Section 609.82, is amended to read:

609.82 [FRAUD IN OBTAINING CREDIT.] Whoever, with intent to defraud, obtains credit for himself or another from a bank, trust company, savings or building and loan association, or credit union, by means of a present or past false representation as to his or another's financial ability may be sentenced as follows:

(1) If no money or property is obtained by the defendant by means of such credit, to imprisonment for not more than 90 days or to payment of a fine of not more than \$300, or both; or

(2) If money or property is so obtained, the value thereof shall be determined as provided in section 609.52, subdivision 1, clause (3) and he ~~may~~ *shall* be sentenced as provided in section 609.52, subdivision 3.

Sec. 87. Minnesota Statutes 1974, Section 609.825, Subdivision 2, is amended to read:

Subd. 2. [ACTS PROHIBITED.] Whoever does any of the following ~~may~~ *shall* be sentenced to imprisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ :

(1) Offers, gives, or agrees to give, directly or indirectly, any benefit, reward or consideration to a participant, manager, director, or other official, or to one who intends to become such participant or official, in any sporting event, race or other contest of any kind whatsoever with intent thereby to influence such participant not to use his best effort to win or enable his team to win or to attain a maximum score or margin of victory, or to influence such official in his decisions with respect to such contest; or

(2) Requests, receives, or agrees to receive, directly or indirectly, any benefit, reward or consideration upon the understanding that he will be so influenced as such participant or official.

Sec. 88. Minnesota Statutes 1974, Section 609.83, is amended to read:

609.83 [FALSELY IMPERSONATING ANOTHER.] Whoever does either of the following ~~may~~ *shall* be sentenced to im-

prisonment for ~~not more than five years or to payment of a fine of not more than \$5,000, or both two years~~ :

(1) Assumes to enter into a marriage relationship with another by falsely impersonating a third person; or

(2) By falsely impersonating another with intent to defraud him or a third person, appears, participates, or executes an instrument to be used in a judicial proceeding.

Sec. 89. [EFFECTIVE DATE.] *Sections 1 to 91 are effective as to crimes committed on or after September 1, 1976, except as specifically provided in Section 10.*

Sec. 90. *In the next and subsequent editions of the Minnesota Statutes the revisor of statutes shall make such changes in terminology as may be necessary to record the functions, powers and duties of the commissioner of corrections as established by this act.*

Sec. 91. [REPEALER.] *Minnesota Statutes 1974, Sections 243.06; 243.14; 243.18; 246.43; 609.11, as amended by Laws 1975, Chapter 378, Section 8; 609.13, Subdivision 1; 609.155; and 609.16, are repealed effective for persons who commit felonies on or after September 1, 1976. Sections 241.045, as amended by Laws 1975, Chapters 61, Section 4, and 304, Section 3; and 242.24 are repealed effective December 31, 1978."*

Further, amend the title as follows:

Page 1, line 2, after "crimes" insert "and corrections"

Page 1, line 2, strike "providing increased sentences"

Page 1, strike lines 3 to 6 and insert

"sentencing and post conviction disposition of criminal offenders; transferring the powers and duties of the Minnesota corrections authority to the commissioner of corrections; abolishing the Minnesota corrections authority; providing for determinate sentencing; providing for a mutual agreement program; amending Minnesota Statutes 1974, Sections 152.15; 401.13; 609.03; 609.10; 609.135, Subdivision 1; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.19; 609.195; 609.20; 609.205; 609.21; 609.215; 609.225; 609.235; 609.24; 609.245; 609.25, Subdivision 2; 609.255; 609.26; 609.27, Subdivision 2; 609.293, Subdivisions 2, 3 and 4; 609.31; 609.32; 609.355, Subdivision 2; 609.365; 609.375, Subdivision 2; 609.39; 609.395; 609.405, Subdivision 2; 609.42, Subdivision 1; 609.425; 609.445; 609.455; 609.465; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.52, Subdivision 3; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.56; 609.565; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.61; 609.615; 609.62, Subdivision 2; 609.625; 609.63; 609.635; 609.64; 609.645; 609.65; 609.67, Subdivision 2; 609.71; 609.713; 609.785; 609.82; 609.825, Subdivision 2; 609.83; Minnesota Statutes, 1975 Supplement, Sections 609.185; 609.342; 609.343; 609.344; 609.345; 609.52, Subdivision 2; 609.521; and 609.551, Subdivision 1; repealing Minnesota Statutes

1974, Sections 241.045, as amended; 242.24; 243.06; 243.14; 243.18; 246.43; 609.11, as amended; 609.13, Subdivision 1; 609.155; and 609.16.”

Mr. Hansen, Baldy moved a substitute amendment to amend H. F. No. 1865 as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1974, Section 243.05, is amended to read:

243.05 [AUTHORITY; POWERS, LIMITATIONS.] The Minnesota corrections authority may parole any person sentenced to confinement in the state prison, the state reformatory, or the Minnesota correctional institution for women, provided that no convict serving a life sentence for murder other than murder committed in violation of clause (1) or (3) of section 609.185 or serving a life sentence for kidnapping committed in violation of section 9 of this act who has not been previously convicted of a felony shall be paroled until he has served 20 years, less the diminution which he would have been allowed for good conduct had his sentence been for 20 years; and provided further that no convict serving a life sentence for murder who has been previously convicted of a felony or though not previously convicted of a felony is serving a life sentence for murder in the first degree committed in violation of clause (1) or (3) of section 609.185 or serving a life sentence for kidnapping committed in violation of section 9 of this act shall be paroled until he has served 25 years, less the diminution which would have been allowed for good conduct had his sentence been for 25 years; provided further that any convict sentenced prior to September 1, 1963 who would be eligible for parole had he been sentenced after September 1, 1963, shall be eligible for parole; provided further, in all cases where a convict is serving a life sentence for murder, unanimous consent of the Minnesota corrections authority shall be required for parole of such convict. Upon being paroled and released, such convicts shall be and remain in the legal custody and under the control of the Minnesota corrections authority, subject at any time to be returned to the state prison, the state reformatory, the Minnesota correctional institution for women, or other facility of the department of corrections established by law for the confinement or treatment of convicted persons and the parole rescinded by such authority, when the legal custody of such convict shall revert to the commissioner of corrections. The written order of the Minnesota corrections authority, certified by the chairman of the authority, shall be sufficient to any peace officer or state parole and probation agent to retake and place in actual custody any person on parole to the Minnesota corrections authority, but any state parole and probation agent may, without order of warrant, when it appears to him necessary in order to prevent escape or enforce discipline, take and detain a parolee to the Minnesota corrections authority for its action. The written order of the commissioner of corrections shall be sufficient to any peace officer or state parole and probation agent to retake and place in actual custody any person on probation under the supervision of the commissioner pursuant to section 609.135, but any state parole and probation agent may, without such order, when it appears to him necessary in order to prevent escape or enforce discipline, retake and

detain such probationer and bring him before the court for further proceedings under section 609.14. Paroled persons, and those on probation under the supervision of the commissioner of corrections pursuant to section 609.135 may be placed within or without the boundaries of the state at the discretion of the authority or of the commissioner of corrections, and the limits fixed for such persons may be enlarged or reduced according to their conduct.

In considering applications for parole or final release, the authority shall not be required to hear oral argument from any attorney or other person not connected with the prison or the reformatory in favor of or against the parole or release of any prisoners, but it may institute inquiries by correspondence, taking testimony or otherwise, as to the previous history, physical or mental condition, and character of such prisoner, and to that end shall have authority to require the attendance of the warden of the state prison or the superintendent of the state reformatory or the Minnesota correctional institution for women and the production of the records of these institutions, and to compel the attendance of witnesses, and each member of the authority is hereby authorized to administer oaths to witnesses for every such purpose.

Sec. 2. Minnesota Statutes 1974, 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 death; or~~
- ~~(1) (2) To life imprisonment; or~~
- ~~(2) (3) To imprisonment for a maximum term of years fixed by the court; or~~
- ~~(3) (4) To an indeterminate term of imprisonment which shall be deemed to be for the maximum term authorized by law; or~~
- ~~(4) (5) To both imprisonment and payment of a fine; or~~
- ~~(5) (6) To payment of a fine without imprisonment or to imprisonment if the fine is not paid.~~

Sec. 3. Minnesota Statutes 1974, Chapter 609, is amended by adding a section to read:

[609.106] [SENTENCE OF DEATH OR LIFE IMPRISONMENT; PROCEEDINGS.] *Subdivision 1. Upon conviction or adjudication of guilt of a defendant of a capital felony the court shall conduct a separate sentencing proceeding to determine whether the defendant should be sentenced to death or life imprisonment as authorized by section 6 of this act. The proceeding shall be conducted by the trial judge before the trial jury as soon as practicable. If the trial jury has been waived or if the defendant pleaded guilty, the sentencing proceeding shall be conducted before a jury empaneled for that purpose unless waived by the defendant. In the proceeding, evidence may be presented as to any matter that the court deems relevant to sentence, and shall include matters relating to any of the aggravating or mitigating circumstances enumerated in subdivisions 6 and 7. The evidence which the court*

deems to have probative value may be received, regardless of its admissibility under the exclusionary rules of evidence, provided that the defendant is accorded a fair opportunity to rebut any hearsay statements. This section shall not be construed to authorize the introduction of any evidence secured in violation of the Constitution of the United States or of the state of Minnesota. The state and the defendant or his counsel shall be permitted to present argument for or against sentence of death.

Subd. 2. After hearing all the evidence, the jury shall deliberate and render an advisory sentence to the court based upon the following matters:

(a) Whether sufficient aggravating circumstances exist as enumerated in subdivision 6, and

(b) Whether sufficient mitigating circumstances exist as enumerated in subdivision 7, which outweigh aggravating circumstances found to exist, and

(c) Based on these considerations whether the defendant should be sentenced to life or death.

Subd. 3. Notwithstanding the recommendation of a majority of the jury, the court after weighing the aggravating and mitigating circumstances shall enter a sentence of life imprisonment or death, but if the court imposes a sentence of death, it shall set forth in writing its findings upon which the sentence of death is based as to the facts:

(a) That sufficient aggravating circumstances exist as enumerated in subdivision 6, and

(b) That there are insufficient mitigating circumstances, as enumerated in subdivision 7, to outweigh the aggravating circumstances. In each case in which the court imposes the death sentence, the determination of the court shall be supported by specific written findings of fact based upon the circumstances in subdivisions 6 and 7 and based upon the records of the trial and the sentencing proceedings.

Subd. 4. If the court does not make the findings requiring the death sentence, the court shall impose sentence of life imprisonment in accordance with section 6 of this act.

Subd. 5. The judgment of conviction and sentence of death shall be subject to automatic review by the supreme court of Minnesota within 60 days after certification by the sentencing court of the entire record unless time is extended an additional period not to exceed 30 days by the supreme court for good cause shown. The review by the supreme court shall have priority over all other cases, and shall be heard in accordance with rules promulgated by the supreme court.

Subd. 6. [AGGRAVATING CIRCUMSTANCES.] Aggravating circumstances shall be limited to the following:

(a) The capital felony was committed by a person under sentence of imprisonment;

(b) The defendant was previously convicted of another capital felony or of a felony involving the use or threat of violence to the person;

(c) *The defendant knowingly created a great risk of death to many persons;*

(d) *The capital felony was committed while the defendant was engaged or was an accomplice in the commission of, or an attempt to commit, or flight after committing or attempting to commit any robbery, rape, arson, burglary, kidnaping, aircraft piracy, or the unlawful throwing, placing or discharging of a destructive device or bomb;*

(e) *The capital felony was committed for the purpose of avoiding or preventing a lawful arrest or effecting an escape from custody;*

(f) *The capital felony was committed for pecuniary gain;*

(g) *The capital felony was committed to disrupt or hinder the lawful exercise of any governmental function or the enforcement of laws;*

(h) *The capital felony was especially heinous, atrocious or cruel.*

*Subd. 7. [MITIGATING CIRCUMSTANCES.] Mitigating circumstances shall be the following:*

(a) *The defendant has no significant history of prior criminal activity;*

(b) *The capital felony was committed while the defendant was under the influence of extreme mental or emotional disturbance;*

(c) *The victim was a participant in the defendant's conduct or consented to the act;*

(d) *The defendant was an accomplice in the capital felony committed by another person and his participation was relatively minor;*

(e) *The defendant acted under extreme duress or under the substantial domination of another person;*

(f) *The capacity of the defendant to appreciate the criminality of his conduct or to conform his conduct to the requirements of law was substantially impaired;*

(g) *The age of the defendant at the time of the crime.*

Sec. 4. Minnesota Statutes 1974, Chapter 609, is amended by adding a section to read:

[609.107] [EXECUTION.] *Subdivision 1. [WARRANT OF EXECUTION.] The governor or the supreme court may issue a warrant to the warden directing him to execute the sentence at a time designated in the warrant.*

*Subd. 2. [STAY.] The execution of a death sentence may be stayed only by the governor or by the supreme court incident to an appeal.*

*Subd. 3. [PROCEEDINGS WHEN PERSON UNDER SENTENCE OF DEATH APPEARS TO BE INSANE.] (a) When the governor is informed that a person under sentence of death may be insane, he shall stay execution of the sentence and appoint a commission of three psychiatrists to examine the convicted person. The governor shall notify the psychiatrists in writing that they are to examine the convicted person to determine whether he understands the nature and effect of the*

death penalty and why it is to be imposed upon him. The examination of the convicted person shall take place with all three psychiatrists present at the same time. Counsel for the convicted person and a representative of the attorney general may be present at the examination. If the convicted person does not have counsel, the court that imposed the sentence shall appoint counsel to represent him.

(b) After receiving the report of the commission, if the governor decides that the convicted person has the mental capacity to understand the nature of the death penalty and the reasons why it was imposed upon him, he shall issue a warrant to the warden directing him to execute the sentence at a time designated in the warrant.

(c) If the governor decides that the convicted person does not have the mental capacity to understand the nature of the death penalty and why it was imposed on him, he shall have him committed to the Minnesota security hospital or to a state hospital for the insane.

(d) When a person under sentence of death has been committed to the Minnesota security hospital or to a state hospital for the insane, he shall be kept there until the proper official of the hospital determines that he has been restored to sanity. The hospital official shall notify the governor of his determination and the governor shall appoint another commission to proceed as provided in clause (a).

(e) The governor shall allow reasonable fees to psychiatrists appointed under the provisions of this section which shall be paid by the state.

**Subd. 4. [PROCEEDINGS WHEN PERSON UNDER SENTENCE OF DEATH APPEARS TO BE PREGNANT.]** (a) When the governor is informed that a person under sentence of death may be pregnant, he shall stay execution of the sentence and appoint a qualified physician to examine the convicted person and determine if she is pregnant.

(b) After receiving the report of the physician, if the governor determines that the convicted person is not pregnant, he shall issue a warrant to the warden directing him to execute the sentence at a time designated in the warrant.

(c) If the governor determines that a convicted person whose execution has been stayed because of pregnancy is no longer pregnant, he shall issue a warrant to the warden directing him to execute the sentence at a time designated in the warrant.

(d) The governor shall allow a reasonable fee to the physician appointed under the provisions of this section which shall be paid by the state.

**Subd. 5. [EXECUTION OF DEATH SENTENCE.]** A death sentence shall be executed by electrocution. The warden of the state prison shall designate the executioner. The warrant authorizing the execution shall be read to the convicted person immediately before execution.

**Subd. 6. [REGULATION OF EXECUTION.]** (a) The warden of the state prison or a deputy designated by him shall be present at the execution. The warden shall set the day for execution within the week designated by the governor in the warrant.

(b) *Twelve citizens selected by the warden shall witness the execution. A qualified physician shall be present and announce when death has been inflicted. Counsel for the convicted person and ministers of the gospel requested by the convicted person may be present. Representatives of news media may be present under regulations approved by the commissioner of corrections. All other persons except prison officers and guards shall be excluded during the execution.*

(c) *The body of the executed person shall be prepared for burial and, if requested, delivered at the prison gates to relatives of the deceased. If a coffin has not been provided by relatives, the body shall be delivered in a plain coffin. If the body is not claimed by relatives, it shall be given to physicians who have requested it for dissection or be disposed of in the same manner as are bodies of prisoners dying in the state prison.*

**Subd. 7. [TRANSFER TO STATE PRISON FOR SAFEKEEPING BEFORE DEATH WARRANT ISSUED.]** *The sheriff shall deliver a person sentenced to death to the state prison to await the death warrant. A district judge of the district in which a death sentence was imposed may order the convicted person transferred to the state prison before the issuance of a warrant of execution if he determines that the transfer is necessary for the safekeeping of the prisoner.*

**Subd. 8. [RETURN OF WARRANT OF EXECUTION ISSUED BY GOVERNOR.]** *After the death sentence has been executed, the warden of the state prison shall return to the governor the warrant and a signed statement of the execution. The warden shall file an attested copy of the warrant and statement with the clerk of the court that imposed the sentence.*

**Subd. 9. [RETURN OF WARRANT OF EXECUTION ISSUED BY SUPREME COURT.]** *After the sentence has been executed pursuant to a warrant issued by the supreme court, the warden of the state prison shall return to the supreme court the warrant and a signed statement of the execution. The warden shall file an attested copy of the warrant and statement with the clerk of the court that imposed the sentence. The warden shall send to the governor an attested copy of the warrant and statement.*

Sec. 5. Minnesota Statutes 1974, Section 609.185, is amended to read:

**609.185 [MURDER IN THE FIRST DEGREE.]** *Whoever does either any of the following is guilty of murder in the first degree and shall be sentenced to imprisonment for life which shall constitute a capital felony, punishable as provided in section 6 of this act:*

(1) *Causes the death of a human being with premeditation and with intent to effect the death of such person or of another; or*

(2) *Causes the death of a human being while committing or attempting to commit rape or sodomy with force or violence, either upon or affecting such person or another.*

(3) *Causes the death of a human being while committing kidnaping after a threat of death to the person kidnapped has been communicated to the person or to another.*

Sec. 6. Minnesota Statutes 1974, Chapter 609, is amended by adding a section to read:

[609.186] [CAPITAL FELONIES; PENALTIES.] *(a) A person who has been convicted of a capital felony shall be punished by life imprisonment and shall be required to serve no less than 25 years less the diminution which would have been allowed for good conduct had his sentence been for 25 years before becoming eligible for parole unless the proceeding held to determine sentence according to the procedure set forth in section 4 of this act results in findings by the court that the person shall be punished by death, and in the latter event such person shall be punished by death,*

*(b) If the death penalty in a capital felony is held to be unconstitutional by the Minnesota supreme court or the United States supreme court, a person convicted of a capital felony shall be punished by life imprisonment as provided in clause (a),*

*(c) If the death penalty in a capital felony is held to be unconstitutional by the Minnesota supreme court or the United States supreme court, the court having jurisdiction over a person previously sentenced to death for a capital felony shall cause the person to be brought before the court, and the court shall sentence such person to life imprisonment as provided in clause (a).*

Sec. 7. Minnesota Statutes 1974, Section 609.19, is amended to read:

609.19 [MURDER IN THE SECOND DEGREE.] *Whoever causes the death of a human being with intent to effect the death of such person or another, but without premeditation, except when the death is caused by a person engaged in the committing of any felony specified in section 609.185 or section 9 of this act is guilty of murder in the second degree and may be sentenced to imprisonment for not more than 40 years.*

Sec. 8. Minnesota Statutes 1974, Section 609.195, is amended to read:

609.195 [MURDER IN THE THIRD DEGREE.] *Whoever, without intent to effect the death of any person, causes the death of another by either of the following means, is guilty of murder in the third degree and may be sentenced to imprisonment for not more than 25 years:*

(1) *Perpetrates an act eminently dangerous to others and evincing a depraved mind, regardless of human life; or*

(2) *Commits or attempts to commit a felony upon or affecting the person whose death was caused or another, except rape or sodomy with force or violence within the meaning of section 609.185, kidnapping after a threat to death within the meaning of section 609.185 or section 9 of this act.*

Sec. 9. Minnesota Statutes 1974, Chapter 609, is amended by adding a section to read:

[609.251] [KIDNAPPING; THREAT OF DEATH.] *Whoever confines or removes from one place to another, any person without his consent or, if he is under the age of 16 years, without the consent of*

*his parents or other legal custodian, and communicates a threat of death to that person or to another, is guilty of a capital felony, punishable as provided in section 6 of this act."*

Renumber the sections in sequence

Further amend the title as follows:

Page 1, line 4, after the semicolon insert "specifying the acts constituting capital felonies; providing a separate proceeding to determine sentence in capital cases;"

Page 1, line 6, strike "Section" and insert "Sections 243.05; 609.10; 609.185; 609.19; 609.195; and"

Page 1, line 6, after "3" insert "and Chapter 609, by adding sections"

The question being taken on the adoption of the substitute amendment to the McCutcheon amendment,

And the roll being called, there were yeas 10 and nays 46, as follows:

Those who voted in the affirmative were:

Bernhagen	Hansen, Baldy	Olson, H. D.	Perpich, A. J.	Renneke
Frederick	Jensen	Patton	Purfeerst	Solon

Those who voted in the negative were:

Arnold	Dunn	Knutson	Ogdahl	Stokowski
Ashbach	Gearty	Kowalczyk	Olhoff	Stumpf
Blatz	Hansen, Mel	Laufenburger	Olson, A. G.	Tennessee
Brataas	Hanson, R.	Lewis	Olson, J. L.	Ueland
Brown	Hughes	McCutcheon	O'Neill	Wegener
Chenoweth	Humphrey	Merriam	Pillsbury	Willet
Coleman	Keefe, J.	Milton	Schaaf	
Conzemius	Keefe, S.	Moe	Schmitz	
Davies	Kirchner	Nelson	Spear	
Doty	Kleinbaum	North	Stassen	

The motion did not prevail. So the substitute amendment was not adopted.

The question recurred on the McCutcheon amendment.

The question being taken on the adoption of the McCutcheon amendment,

And the roll being called, there were yeas 48 and nays 11, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Kowalczyk	Olhoff	Spear
Ashbach	Doty	Laufenburger	Olson, A. G.	Stassen
Berg	Fitzsimons	Lewis	Olson, J. L.	Stokowski
Bernhagen	Gearty	McCutcheon	O'Neill	Stumpf
Borden	Hanson, R.	Merriam	Perpich, A. J.	Tennessee
Brataas	Hughes	Milton	Pillsbury	Ueland
Brown	Humphrey	Moe	Purfeerst	Wegener
Chenoweth	Josefon	Nelson	Schaaf	Willet
Coleman	Keefe, J.	North	Schmitz	
Conzemius	Keefe, S.	Ogdahl	Solon	

Those who voted in the negative were:

Blatz	Hansen, Baldy	Jensen	Knutson	Patton
Dunn	Hansen, Mel	Kleinbaum	Olson, H. D.	Renneke
Frederick				

The motion prevailed. So the amendment was adopted.

H. F. No. 1865 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 45 and nays 12, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Kirchner	Nelson	Schmitz
Ashbach	Doty	Kowalczyk	North	Schrom
Bang	Fitzsimons	Larson	Olhott	Sillers
Berg	Gearty	Laufenburger	Olson, A. G.	Solon
Bernhagen	Hughes	Lewis	O'Neill	Spear
Brown	Humphrey	McCutcheon	Perpich, A. J.	Stokowski
Chenoweth	Josefson	Merriam	Pillsbury	Stumpf
Coleman	Keefe, J.	Milton	Purfeerst	Tennessen
Conzemius	Keefe, S.	Moe	Schaaf	Willet

Those who voted in the negative were:

Blatz	Hansen, Baldy	Kleinbaum	Olson, H. D.	Patton
Dunn	Hansen, Mel	Knutson	Olson, J. L.	Renneke
Frederick	Jensen			

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

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that S. F. No. 2460, No. 131 on General Orders, be stricken and returned to the author. The motion prevailed.

Mr. Hughes moved that S. F. No. 664, No. 21 on General Orders, be stricken and returned to the author. The motion prevailed.

Mr. Hansen, Mel moved that S. F. No. 1785, No. 36 on General Orders, be stricken and re-referred to the Committee on Transportation and General Legislation. The motion prevailed.

Mr. Hansen, Mel moved that S. F. No. 2097, No. 37 on General Orders, be stricken and re-referred to the Committee on Transportation and General Legislation. The motion prevailed.

#### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 2014, No. 133 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 2014: A bill for an act relating to retirement; increasing certain benefits and annuities; appropriating money.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Keefe, S.	Ogdahl	Schrom
Ashbach	Fitzsimons	Kleinbaum	Olhoff	Sillers
Bang	Gearty	Knutson	Olson, A. G.	Solon
Berg	Hansen, Mel	Kowalczyk	Olson, J. L.	Spear
Bernhagen	Hanson, R.	Larson	O'Neill	Stassen
Blatz	Hughes	Laufenburger	Patton	Stumpf
Brataas	Humphrey	Lewis	Perpich, A. J.	Tennessee
Chenoweth	Jensen	McCutcheon	Pillsbury	Ueland
Coleman	Josefson	Merriam	Renneke	Wegener
Conzemius	Keefe, J.	Moe	Schmitz	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 2309, No. 135 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 2309: A bill for an act relating to retirement; distribution of state aid to policemen's relief associations; volunteer firemen's lump sum and monthly benefits; amending Minnesota Statutes 1974, Sections 69.011, Subdivisions 1, 2, and 4; 69.021, Subdivisions 5, 6, and 7; 69.031, Subdivision 5; and 69.06.

Mr. Frederick moved to amend S. F. No. 2309 as follows:

Page 10, after line 8, insert:

*"No community shall receive less state aid than they received in the past."*

The motion prevailed. So the amendment was adopted.

Mr. Jensen moved to amend S. F. No. 2309 as follows:

Page 6, line 14, strike everything after "board"

Page 6, lines 15 to 17, strike the new language and insert "*, except in municipalities with a population of less than 1,000*"

The motion prevailed. So the amendment was adopted.

### RECONSIDERATION

Mr. Frederick moved that the vote whereby his amendment to S. F. No. 2309 was passed by the Senate on March 22, 1976, be now reconsidered. The motion prevailed.

Mr. Frederick withdrew his amendment.

Mr. Frederick then moved to amend S. F. No. 2309 as follows:

Page 10, line 3, before "*; and*" insert:

*"No community shall receive less state aid than they received in 1975"*

The motion prevailed. So the amendment was adopted.

S. F. No. 2309 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 50 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Jensen	Merriam	Schmitz
Arnold	Dunn	Keefe, J.	Moe	Schrom
Bang	Fitzsimons	Keefe, S.	North	Solon
Bernhagen	Frederick	Kirchner	Ogdahl	Stassen
Brataas	Gearty	Kleinbaum	Oihoff	Stokowski
Brown	Hansen, Baldy	Kowalczyk	Olson, J. L.	Stumpf
Chenoweth	Hansen, Mel	Larson	O'Neill	Tennessee
Chmielewski	Hanson, R.	Laufenburger	Perpich, A. J.	Ueland
Conzemius	Hughes	Lewis	Pillsbury	Wegener
Davies	Humphrey	McCutcheon	Purfuerst	Willet

Those who voted in the negative were:

Ashbach	Blatz	Knutson	Olson, H. D.	Renneke
Berg	Josefson	Milton	Patton	Sillers

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

#### NOTICE OF RECONSIDERATION

Mr. O'Neill gave notice of intention to move for reconsideration of S. F. No. 2014.

#### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 2288, No. 137 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 2288: A bill for an act relating to Indian affairs; renaming the board on Indian affairs; providing a change in membership for the board; creating an advisory council; changing the duties of the board; amending Minnesota Statutes 1974, Section 3.922, as amended.

Mr. Willet moved to amend S. F. No. 2288 as follows:

Page 9, after line 16, insert:

*"Sec 2. There is hereby appropriated to the board from the general fund the sum of \$155,550 for the year ending June 30, 1977."*

Renumber the remaining section

Further, amend the title as follows:

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

The motion prevailed. So the amendment was adopted.

S. F. No. 2288 was then progressed.

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated H. F. No. 1293, No. 141 on the General Orders Calendar, a Special Order to be heard immediately.

H. F. No. 1293: A bill for an act relating to educational television; providing grants for instructional television stations serving Minnesota; providing for local supervision of grant expenditures.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 38 and nays 26, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Perpich, A. J.	Solon
Arnold	Doty	Kleinbaum	Pillsbury	Spear
Berg	Fitzsimons	Laufenburger	Purfeerst	Stokowski
Borden	Hansen, Baldy	McCutcheon	Renneke	Stumpf
Brataas	Hanson, R.	Milton	Schaaf	Tennesen
Chenoweth	Hughes	Moe	Schmitz	Willet
Chmielewski	Jensen	North	Schrom	
Coleman	Josefson	Olhoff	Sillers	

Those who voted in the negative were:

Ashbach	Dunn	Kirchner	Ogdahl	Stassen
Bang	Frederick	Knutson	Olson, A. G.	Ueland
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	
Blatz	Hansen, Mel	Larson	Olson, J. L.	
Brown	Humphrey	Lewis	O'Neill	
Conzemius	Keefe, J.	Merriam	Patton	

So the bill passed and its title was agreed to.

### RECESS

Mr. Coleman moved that the Senate do now recess until 7:30 o'clock p.m. The motion prevailed.

The hour of 7:30 o'clock p.m. having arrived, the President called the Senate to order.

### MEMBERS EXCUSED

Messrs. Brown, Nelson and Purfeerst were excused from this evening's Session.

The question recurred on S. F. No. 2288.

Mr. Spear moved to amend S. F. No. 2288 as follows:

Page 3, line 16, after the period insert:

*"Voting members shall also include two Indian residents of the city of Minneapolis, one Indian resident of the city of St. Paul, and one Indian resident of the city of Duluth to be elected by Indian residents*

*of their respective cities in a manner as determined by the secretary of state. The voting procedure shall correspond to the extent possible with that prescribed in subdivision 2."*

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

S. F. No. 2288: A bill for an act relating to Indian affairs; renaming the board on Indian affairs; providing a change in membership for the board; creating an advisory council; changing the duties of the board; appropriating money; amending Minnesota Statutes 1974, Section 3.922, as amended.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

Mr. Spear moved that those not voting be excused from voting. The motion did not prevail.

And the roll being called, there were yeas 45 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Hanson, R.	Lewis	Renneke
Arnold	Conzemius	Hughes	Moe	Schmitz
Bang	Doty	Humphrey	Olhoft	Schrom
Berg	Dunn	Jensen	Olson, A. G.	Sillers
Bernhagen	Fitzsimons	Josefson	Olson, H. D.	Solon
Blatz	Frederick	Kirchner	Olson, J. L.	Stassen
Borden	Gearty	Kleinbaum	Patton	Stokowski
Brataas	Hansen, Baldy	Kowalczyk	Perpich, A. J.	Ueland
Chmielewski	Hansen, Mel	Larson	Pillsbury	Willet

Those who voted in the negative were:

Ashbach	Keefe, J.	Merriam	O'Neill	Tennessee
Chenoweth	Keefe, S.	Milton	Spear	
Davies	McCutcheon	Ogdahl	Stumpf	

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

#### MOTIONS AND RESOLUTIONS—CONTINUED SUSPENSION OF RULES

Mr. Perpich, A. J. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 2072 and that the rules of the Senate be so far suspended as to withdraw it from the Committee on Taxes and Tax Laws and give H. F. No. 2072 its second and third reading and place it on its final passage.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 32 and nays 24, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Olson, A. G.	Stokowski
Arnold	Doty	Lewis	Olson, H. D.	Stumpf
Borden	Gearty	McCutcheon	Perpich, A. J.	Tennessee
Chenoweth	Hansen, Baldy	Merriam	Schmitz	Willet
Chmielewski	Hughes	Milton	Schrom	
Coleman	Humphrey	Moe	Solon	
Conzemius	Keefe, S.	Olhoft	Spear	

Those who voted in the negative were:

Ashbach	Brataas	Hanson, R.	Larson	Renneke
Bang	Dunn	Jensen	Olson, J. L.	Sillers
Berg	Fitzsimons	Keefe, J.	O'Neill	Stassen
Bernhagen	Frederick	Kirchner	Patton	Ueland
Blatz	Hansen, Mel	Kowalczyk	Pillsbury	

The motion did not prevail.

#### RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Reports of Committees and Second Reading of Senate Bills and Second Reading of House Bills. The motion prevailed.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 2117: A bill for an act relating to elections; establishing procedures for changing precinct boundaries; requiring filing of precinct maps with the state demographer; imposing certain duties on the state demographer regarding coordination of census data with changes in precinct boundaries; appropriating money; amending Minnesota Statutes 1974, Section 4.12, Subdivision 7; and Minnesota Statutes, 1975 Supplement, Section 204A.06, Subdivision 1, and by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 2375: A bill for an act relating to education; right to read program; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, strike "\$290,000" and insert "\$200,000"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 1971: A bill for an act relating to transportation; creating a rail service improvement fund; authorizing contractual agreements for rail line rehabilitation; establishing a rail service improvement program; requiring study of state regulatory and tax policies affecting rail transportation; prescribing powers and duties of the director of the state planning agency; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, strike "10" and insert "9"

Page 2, line 1, strike "10" and insert "9"

Page 2, line 11, strike "user" and insert "users"

Page 3, line 7, strike "(1)" and insert "(a)"

Page 3, line 10, strike "(2)" and insert "(b)"

Page 3, line 15, strike "(3)" and insert "(c)"

Page 3, line 24, strike "(4)" and insert "(d)"

Page 3, line 25, strike "(3)" and insert "(c)"

Page 3, line 30, strike "moneys" and insert "money"

Page 3, line 32, strike "funds" and insert "money"

Page 4, line 3, strike "funds" and insert "money from the fund"

Page 4, line 17, strike "Develop criteria for determining" and insert "Set"

Page 4, line 18, strike "funds" and insert "money"

Page 4, line 18, after "railroads" strike the period and insert "according to criteria developed by the director. The criteria"

Page 4, strike line 19

Page 4, line 20, strike "director"

Page 4, line 20, after "the" insert "anticipated"

Page 4, line 24, strike "funds" and insert "money"

Page 4, line 28, strike "FUNDS OF" and insert "PARTICIPATION BY"

Page 5, line 6, strike "arrangements" and insert "agreements"

Page 5, line 7, strike "FUNDS" and insert "MONEY"

Page 5, lines 9 and 29, strike "funds" and insert "money"

Amend the title as follows:

Page 1, strike lines 6 and 7

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

H. F. No. 920: A bill for an act relating to recreation; environmental preservation and energy conservation; conserving human and natural resources by promoting health and recreation and abating environmental pollution by encouraging the use of bicycles; providing for a bicycle registration system, and prescribing the powers and duties of the commissioner of public safety in relation thereto; directing the commissioner of public safety to study the use of bicycles on streets, highways, bicycle ways and bicycle lanes; prescribing a model bicycle ordinance for political subdivisions; directing the commissioner of natural resources to develop a plan for an interconnecting system of bicycle trails; providing for the construction of bicycle lanes or ways using federal funds; prescribing penalties; and appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the report made by the Transportation and General Legislation Committee adopted by the Senate March 17, 1976, as follows:

In the Page 4, line 25, amendment after "number" and before "designated" insert "of any bicycle"

Page 4, of H. F. No. 920, line 28, strike "of any bicycle" and insert "pursuant to section 3"

Page 5, of H. F. No. 920, line 2, strike "national" and insert "Minnesota"

Strike the Transportation and General Legislation Committee amendment to Page 7, line 6

Page 2 of the committee report, in the amendment to Page 8, after Line 12, strike all of Subdivision 3

Strike all of the committee amendments from the amendment to Page 10, Line 17, through the amendment to Page 14, Line 11

Pages 10 to 14, of H. F. No. 920, strike all of Section 18

Further, amend the title as follows:

Page 1, line 12, strike "prescribing a model bicycle"

Page 1, line 13, strike "ordinance for political subdivisions;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was re-referred

S. F. No. 2300: A bill for an act relating to livestock sanitation; providing indemnification to owners of condemned cattle by reason of being nonreactors to the brucellosis test, or by reason

of being exposed to brucellosis and not eligible for test; authorizing indemnity to owners of grade bulls slaughtered because of certain other dangerous diseases; amending Minnesota Statutes 1974, Section 35.09, Subdivision 2, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 16, insert:

*"Sec. 3. The sum of \$40,000 is appropriated from the general fund to the livestock sanitary board for the biennium ending June 30, 1977, for the purposes of this act."*

Amend the title as follows:

Page 1, line 8, after "diseases;" insert "appropriating money;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 1959: A bill for an act relating to health facilities; establishing an office of health facility complaints; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, strike "complaints" and insert "ombudsman"

Page 2, line 13, strike "COMPLAINTS" and insert "OMBUDSMAN"

Page 2, line 14, strike "complaints" and insert "ombudsman"

Page 3, line 7, after the period insert "To the extent possible, employees of the office shall meet federal training requirements for health facility surveyors."

Page 3, line 31, strike "Recommend that the department of health"

Page 4, after line 1, insert:

*"(g) Recommend the certification or decertification of health facilities pursuant to Title XVIII or Title XIX of the United States Social Security Act;"*

Reletter the remaining clauses

Page 6, lines 20, 22, 24, and 31, strike "complaints" and insert "ombudsman"

Page 6, line 29, after the dollar sign insert "64,600"

Page 7, line 3, strike "complaints" and insert "ombudsman"

Further, amend the title as follows:

Page 1, line 3, strike "complaints" and insert "ombudsman"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 2225: A bill for an act relating to medical assistance for the needy; establishing guidelines for reimbursement of medical services furnished by nursing homes; prescribing certain responsibilities for the commissioner of public welfare.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 2, before "The" insert "Subdivision 1. Except as provided in subdivision 2,"

Page 2, after line 8, insert:

"Subd 2. A nursing home which pays interest on capital indebtedness at a rate in excess of 9 percent may be reimbursed for one half of its interest expenses in excess of the 9 percent if (1) the proceeds of the indebtedness are used for the purchase or operation of the nursing home and (2) the loan was obtained in an arms length transaction. The annual interest paid pursuant to this subdivision shall not exceed 1.5 percent of the indebtedness."

Page 2, line 11, strike "March" and insert "January"

Page 2, line 12, strike "1976" and insert "1977"

Page 2, line 22, strike "March" and insert "January"

Page 2, line 23, strike "1976" and insert "1977"

Page 3, line 14, strike " "Accumulated depreciation" means the total"

Page 3, strike lines 15 and 16

Page 3, line 21, before "percent" insert "8"

Page 3, line 23, after "be" insert "8"

Page 3, line 25, strike "January" and insert "July"

Page 3, line 26, strike "December 31, 1977" and insert "June 30, 1978"

Page 3, line 27, strike "December" and insert "May"

Page 4, line 1, after "every" insert "7"

Page 4, line 2, strike "accumulated"

Page 4, line 2, after "depreciation" insert ", accumulated on the basis of the original value and on any value established pursuant to this subdivision,"

Page 4, line 9, after "The" and before "year" insert "7"

Page 4, line 12, strike "March 1, 1976" and insert "January 1, 1977"

Page 4, line 13, strike "1976" and insert "1977"

Page 4, line 13, after "or" insert "7"

Page 7, line 11, strike "December 31, 1976" and insert "July 1, 1977"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 1895: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money; amending Minnesota Statutes 1974, Section 48.24, Subdivision 5; and Minnesota Statutes, 1975 Supplement, Sections 290.01, Subdivision 20; 290.08, by adding a subdivision; and 290.09, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 19, line 16, after the period insert "*The sum of all outstanding family farm security loans guaranteed by the commissioner at any time shall not exceed ten times the amount of money in the special account created in this subdivision.*"

Page 19, line 17, strike "*Interest accrued from the investment of funds*"

Page 19, line 18, strike "*from the special account is annually appropriated, and*"

Page 19, line 19, after the dollar sign insert "*800,000*"

Page 19, line 23, strike "*\$56,000*" and insert "*\$74,300 for the biennium ending June 30, 1977,*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

H. F. No. 2342: A bill for an act relating to state hospitals; providing certain name changes; amending Minnesota Statutes 1974, Sections 252.025, Subdivision 1; 253.201; 253A.02, by adding a subdivision; and 254.05.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Finance, to which was referred

S. F. No. 2380: A bill for an act relating to the department of public welfare; providing for funding for detoxification programs; amending Minnesota Statutes 1974, Section 254A.08, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 23, insert:

*"Sec. 2. This act is effective January 1, 1977."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, pursuant to the second paragraph of Rule 40, and on request of Mr. Perpich, A. J., first author of S. F. No. 2336, companion file to H. F. No. 2072, recommends that H. F. No. 2072 be withdrawn from the Committee on Taxes and Tax Laws and be placed on General Orders. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 2117, 2375, 2380, 1895, 2225, 1959, 2300 and 1971 were read the second time.

#### SECOND READING OF HOUSE BILLS

H. F. Nos. 2342, 920 and 2072 were read the second time.

#### MOTIONS AND RESOLUTIONS—CONTINUED

##### SUSPENSION OF RULES

Mr. Perpich, A. J. moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 2072 and that the rules of the Senate be so far suspended as to give H. F. No. 2072, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 2072: A bill for an act relating to taxes on or measured by net income and on the sale of intoxicating liquors and to assessment of ad valorem taxes; appropriating funds; amending Minnesota Statutes 1974, Sections 4.12, Subdivision 4; 270.13; 273.138, Subdivisions 2 and 5; 276.05; 276.06; 290.06, Subdivision 9a; 290.066, Subdivision 1; 340.51; 340.55; and Chapters 256 and 273, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 270.16, Subdivision 2; 273.012, Subdivision 3; 273.11, Subdivision 2; 273.122, Subdivision 1; 273.13, Subdivisions 6, 7, and 14a; 273.17, Subdivision 1; 274.14; 276.04; 281.17; 290.01, Subdivision 20; 290.012, Subdivision 4; 290.21, Subdivision 4; 290A.03, Subdivisions 3, 7, 8, 12, and 13 and by adding a subdivision; 290A.04, Subdivisions 2 and 3; 290A.05; 290A.06; 290A.07, Subdivisions 1 and 2; 290A.14; 290A.19; and Chapter

290A, by adding a section; and Laws 1975, Chapter 349, Section 32; and Laws 1976, Chapter 5, Sections 2, Subdivision 1; and 3; repealing Minnesota Statutes 1974, Section 273.11, Subdivision 4, and Minnesota Statutes, 1975 Supplement, Section 124.03.

Mr. Perpich, A. J., moved to amend H. F. No. 2072 as follows:

Strike everything after the enacting clause and insert:

**"ARTICLE 1**

Section 1. Minnesota Statutes 1974, Chapter 290, is amended by adding a section to read:

[290.067] [DEPENDENT CARE CREDIT.] *Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined herein shall have the meanings given them unless the context clearly indicates another meaning.*

*"Claimant" means an individual who has filed a claim under this subdivision. To be eligible to file, the individual shall have been domiciled in this state during the entire taxable year for which he files a claim for relief. Only one spouse in a married couple may be a claimant.*

*"Qualifying individual" means (1) an individual dependent upon and receiving his chief support from the claimant, if the dependent has not attained the age of 15 years, or is physically or mentally incapable of caring for himself; or (2) a spouse of the claimant who is physically or mentally incapable of caring for himself.*

*"Income" means gross income as defined in Minnesota Statutes, Section 290.01, Subdivision 20. If the claimant is married, income shall be the combined income of both spouses, and the spouses shall file their income tax return for the year for which the credit is claimed, either jointly or separately, on one form. A claimant shall not be considered as married if,*

*(1) he is legally separated from his spouse under a decree of divorce or of separate maintenance at the close of the taxable year, or*

*(2) he has been deserted by his spouse and has not known the whereabouts of his spouse at any time during the last six months of the taxable year.*

*"Qualifying dependent care expenses" means the amount actually paid by a claimant for the cost of care for a qualifying individual but only if the care is obtained for the purpose of enabling the claimant to be gainfully employed. In the case of a married claimant, no expenses shall be included as qualifying dependent care expenses if the expenses were incurred during any period in which the claimant's spouse was neither gainfully employed nor eligible as a qualifying individual; if both spouses are gainfully employed, the amount of qualifying dependent care expenses for which a credit will be given pursuant to this subdivision shall not exceed the lesser of the income of the claimant alone or that of his spouse alone during the taxable year for which the claim was made. No payment made by a claimant for care given to a qualifying individual shall be considered a qualifying dependent care expense if the care is given by and the payment made to an individual who is dependent upon and receiving his chief*

support from the claimant or the spouse of the claimant. No expense for which a deduction is claimed pursuant to Minnesota Statutes, Section 290.09, subdivision 10 shall be included as a qualifying dependent care expense.

*Subd. 2. [CLAIM FOR CREDIT.] A credit shall be given to each eligible claimant in an amount determined according to subdivision 3. A claimant under this section shall file with the commissioner of revenue a Minnesota income tax return or any other form the commissioner prescribes to claim the credit. The claimant shall include in support of his claim reasonable proof of expenses paid and the names and addresses of payees.*

*Subd. 3. [AMOUNT OF CREDIT.] The credit given shall equal ten percent of the total amount actually paid by a claimant as qualifying dependent care expenses, subject to the limitations provided herein. The credit for each dependent shall not exceed \$150 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$300 in the taxable year. In the case of a married claimant, the credit shall be reduced by an amount equal to five percent of the income of the claimant which is over \$15,000. Only those expenses incurred on behalf of a qualifying individual during the time when that person was a qualifying individual shall qualify for the credit.*

*Subd. 4. [CREDIT TO BE REFUNDABLE.] If the amount of credit which a claimant would be eligible to receive pursuant to this subdivision exceeds his tax liability under Minnesota Statutes, Chapter 290, the excess amount of the credit shall be refunded to the claimant by the commissioner of revenue.*

*Subd. 5. [RIGHT TO FILE CLAIM.] The right to file a claim under this section shall exist according to the terms of Minnesota Statutes, Section 290.984.*

*Subd. 6. [APPROPRIATION.] A sum sufficient to pay the claims for credit to be given pursuant to section 1 of this article is appropriated annually to the commissioner of revenue from the general fund in the state treasury.*

*Sec. 2. [REPEALER.] Minnesota Statutes 1974, Section 290.09, Subdivision 26, is repealed.*

*Sec. 3. [EFFECTIVE DATE.] This article is effective for taxable years beginning after December 31, 1975.*

## ARTICLE II

Section 1. Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 8, is amended to read:

*Subd. 8. [CLAIMANT.] "Claimant" means a person who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes are payable for not less than six months of the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date*

*specified in section 290A.04, subdivision 1, may file a claim based on residence in a unit on which ad valorem taxes were not payable . In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. Maximum credit allowed under this computation would be at a rate of one-twelfth of the maximum credit allowed pursuant to section 290A.04 per month of residency computed to the nearest full month. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.*

If a homestead is occupied by two or more unrelated renters, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 290A.04, Subdivision 2, is amended to read:

Subd. 2. The credit shall be paid to claimants whose property taxes payable exceed the following percentages of their income, up to the designated maximum credit amounts:

For claimants earning:

\$ 0 to \$ 2,499,	1.0 percent, up to \$475;
2,500 to 19,999,	1.5 percent, up to \$475;
20,000 to 22,999,	1.6 percent, up to \$475;
23,000 to 25,999,	1.8 percent, up to \$425;
26,000 to 30,999,	2.0 percent, up to \$375;
31,000 to 35,999,	2.2 percent, up to \$350;
36,000 to 40,999,	2.4 percent, up to \$325;
41,000 to 44,999,	2.6 percent, up to \$325;
45,000 to 52,999,	2.8 percent, up to \$325;
53,000 to 65,999,	3.0 percent, up to \$325;
66,000 to 81,999,	3.2 percent, up to \$325;
82,000 to 99,999,	3.5 percent, up to \$325;
100,000 and over,	4.0 percent, up to \$325;

provided that maximum credits for incomes above \$20,000 decline according to the following schedule:

between \$20,000 and \$26,000 decline \$16.67 per \$1,000; between \$26,000 and \$36,000 decline \$5 per \$1,000.

*In the case of a claimant who was disabled on June 1 or who attained the age of 65 on the date specified in subdivision 1, the credit shall not be less than the credit which the claimant's household income as*

*defined in section 290A.03 and property tax or rent constituting property tax would have entitled him to receive under Minnesota Statutes 1974, Section 290.0618.*

The credit shall be the amount calculated pursuant to this subdivision, *but not exceeding \$675*, less the homestead credit given pursuant to section 273.13, subdivisions 6 and 7.

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 290A.04, Subdivision 3, is amended to read:

Subd. 3. The commissioner of revenue shall construct and make available to taxpayers a comprehensive table showing the property taxes to be paid and credit allowed at various levels of income and assessment. The table shall follow the schedule of income percentages and , maximums and other provisions specified in subdivision 2, except that the commissioner may graduate the transition between income brackets.

*For homestead property owners who are disabled or are 65 or older, as provided in subdivision 1, the commissioner shall base his determination of the credit on the gross qualifying tax reduced by the average statewide effective homestead credit percentage for taxes payable in 1975 calculated under Minnesota Statutes, Section 273.13, Subdivisions 6 and 7.*

Sec. 4. *In 1976, the commissioner shall recompute the credit for any person who has filed a claim and is affected by this article. He shall pay to these people the amount of the credit in excess of any credit which has been paid, without requiring an amended return to be filed. Notwithstanding the provisions of section 290A.07, payments pursuant to this section may be made more than 60 days after the date the claim was filed without interest.*

Sec. 5. *This article is effective for taxable years beginning after December 31, 1974.*

### ARTICLE III

Section 1. Minnesota Statutes 1974, Section 291.03, is amended to read:

291.03 [RATES.] When the property or any beneficial interest therein passes by any such transfer where the amount of the property shall exceed in value the exemption or exemptions hereinafter specified, where applicable, the tax hereby imposed shall be:

(1) Where the person entitled to any beneficial interest in such property shall be the *widow surviving spouse* , minor or dependent child of the decedent, or any minor or dependent legally adopted child at the following prescribed rates:

1½ percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

2 percent on the next \$25,000 or part thereof.

3 percent on the next \$50,000 or part thereof.

4 percent on the next \$50,000 or part thereof.

- 5 percent on the next \$50,000 or part thereof.
- 6 percent on the next \$100,000 or part thereof.
- 7 percent on the next \$100,000 or part thereof.
- 8 percent on the next \$100,000 or part thereof.
- 9 percent on the next \$500,000 or part thereof.
- 10 percent on the excess over \$1,000,000.

(2) Where the person or persons entitled to any beneficial interest in such property shall be the ~~husband~~, adult child or other lineal descendant of the decedent, adult legally adopted child or issue, lineal ancestor of the decedent, stepchild as defined in section 291.005, or any child to whom such decedent for not less than ten years prior to such transfer stood in the mutually acknowledged relation of a parent; provided, such mutually acknowledged relationship began at or before the child's fifteenth birthday and was continuous for said ten years thereafter, or any lineal issue of such mutually acknowledged child, at the following prescribed rates:

2 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

- 4 percent on the next \$25,000 or part thereof.
- 6 percent on the next \$50,000 or part thereof.
- 7 percent on the next \$100,000 or part thereof.
- 8 percent on the next \$200,000 or part thereof.
- 9 percent on the next \$600,000 or part thereof.
- 10 percent on the excess over \$1,000,000.

(3) Where the person or persons entitled to any beneficial interest in such property shall be the brother or sister or a descendant of a brother or sister of the decedent, a wife or widow of a son, or ~~the a~~ husband or *widower* of a daughter of the decedent, at the following prescribed rates:

6 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

- 8 percent on the next \$25,000 or part thereof.
- 10 percent on the next \$50,000 or part thereof.
- 12 percent on the next \$50,000 or part thereof.
- 14 percent on the next \$50,000 or part thereof.
- 16 percent on the next \$100,000 or part thereof.
- 18 percent on the next \$100,000 or part thereof.
- 20 percent on the next \$100,000 or part thereof.

22 percent on the next \$500,000 or part thereof.

25 percent on the excess over \$1,000,000.

(4) Where the person or persons entitled to any beneficial interest in such property shall be in any other degree of collateral consanguinity than is hereinbefore stated, or shall be a stranger in blood to the decedent, or shall be a body politic or corporate, at the following prescribed rates:

8 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

10 percent on the next \$25,000 or part thereof.

12 percent on the next \$50,000 or part thereof.

14 percent on the next \$50,000 or part thereof.

16 percent on the next \$50,000 or part thereof.

18 percent on the next \$100,000 or part thereof.

20 percent on the next \$100,000 or part thereof.

22 percent on the next \$100,000 or part thereof.

26 percent on the next \$500,000 or part thereof.

30 percent on the excess over \$1,000,000.

Sec. 2. Minnesota Statutes 1974, Section 291.05, is amended to read:

291.05 [EXEMPTIONS.] The following exemptions from the tax are hereby allowed:

(1) Any devise, bequest, gift, or transfer to or for the use of the United States of America or any state or any political subdivision thereof for public purposes exclusively, and any devise, bequest, gift, or transfer to or for the use of any corporation, fund, foundation, trust, or association operated within this state for religious, charitable, scientific, literary, education or public cemetery purposes exclusively, including the encouragement of art and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt. Any devise, bequest, gift, or transfer to an employee stock ownership trust as defined in section 290.01, subdivision 3 25, shall be exempt. Where the beneficiaries of a stock ownership trust include the transferor, his spouse, children, grandchildren, parents, siblings or their children, the amount of the exemption shall be reduced by the product of multiplying said amount by their percentage interest in the trust.

Any devise, bequest, gift, or transfer, not to exceed \$1,000 made to a clergyman the proceeds of which are to be used for religious purposes or rites designated by the testator, shall be exempt. Any devise, bequest, gift, or transfer to or for the use of any corporation, fund, foundation, trust, or association operated for religious, charitable, scientific, literary, education, or public

cemetery purposes exclusively, including the encouragement of art, and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or any individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt, if, at the date of the decedent's death, the laws of the state under the laws of which the transferee was organized or existing, either (1) did not impose a death tax of any character, in respect of property transferred to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of this state, or (2) contained a reciprocal provision under which transfers to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of another state were exempted from death taxes of every character if such other state allowed a similar exemption to a similar corporation, fund, foundation, trust, or association, organized under the laws of such state.

(2) The homestead of a decedent, and the proceeds thereof if sold during administration, transferred to the spouse or to any minor or dependent child of the decedent, or to any minor or dependent legally adopted child of the decedent, shall be exempt to the extent of \$30,000 of the appraised value thereof.

Proceeds of any insurance policy issued by the United States and generally known as war risk insurance, United States government life insurance or national service life insurance payable upon the death of any person dying on or after June 24, 1950, shall be exempt.

Proceeds of life insurance issued pursuant to Public Law 89-214 and generally known as servicemen's group life insurance payable upon the death of any person on or after September 1, 1965, shall be exempt. Claims for refunds of inheritance tax paid on such proceeds shall be accepted by the commissioner if filed with him by December 31, 1970, or within 18 months after such payment, whichever is later.

Proceeds of payments from the United States railroad retirement fund; or from the United States as social security benefit, shall be exempt.

(3) (i) Property or any beneficial interest therein of the clear value of ~~\$20,000~~ \$60,000 transferred to the *widow surviving spouse*, shall be exempt.

(ii) Provided, where the amount of family maintenance allowed by the probate court is less than the maximum deductible under the provisions of section 291.10, or if no such maintenance is allowed, there shall be allowed to the *widow surviving spouse* an additional exemption equal in amount to the difference between the maximum deduction as provided by section 291.10 and the amount of such family maintenance allowed by the probate court. Further provided, where no probate proceedings are had there shall be allowed to the *widow surviving spouse* an additional exemption equal to the maximum deduction allowed for family maintenance under the provisions of section 291.10.

(4) (i) Property or any beneficial interest therein of the clear value of ~~\$15,000~~ \$30,000 transferred to each minor or dependent child of the decedent, or any minor or dependent legally adopted child of the decedent, shall be exempt.

(ii) Provided, where the decedent left no ~~widow surviving spouse~~ entitled to the exemption allowed by clause (3) of this section the exemption allowed by subparagraph (ii) of clause (3) shall be allowed to beneficiaries entitled to exemption under the provisions of this clause (4). In no event shall the aggregate amount of exemption so allowed be in excess of the additional amount that would have been allowed under subparagraph (ii) of clause (3) had such paragraph been applicable.

(5) Property or any beneficial interest therein of the clear value of ~~\$6,000~~ \$12,000 transferred to ~~the husband~~, any adult child or other lineal descendant of the decedent, any adult legally adopted child, stepchild as defined in section 291.005, or any child to whom the decedent, for not less than ten years prior to his death, stood in the mutually acknowledged relation of a parent; provided, such mutually acknowledged relationship began at or before the child's fifteenth birthday, and was continuous for ten years thereafter, or any lineal issue of such adopted or mutually acknowledged child, or any lineal ancestor of the decedent, shall be exempt.

(6) Property or any beneficial interest therein of the clear value of ~~\$1,500~~ \$12,000 transferred to any brother or sister or a descendant of a brother or sister of the decedent, a wife or widow of a son, or the husband of a daughter of the decedent, shall be exempt.

(7) Property or any beneficial interest therein of the clear value of \$500 transferred to any person in any other degree of collateral consanguinity than is hereinbefore stated, or shall be a stranger in blood to the decedent, or shall be a body politic or corporate not exempt under this chapter, shall be exempt.

Sec. 3. Minnesota Statutes 1974, Section 292.05, Subdivision 1, is amended to read:

292.05 [SPECIFIC EXEMPTIONS.] Subdivision 1. [PARTICULAR DONEES.] The following specific exemptions shall be deducted in computing the amount of the gifts made to any single donee:

(1) \$10,000, if the donee is the ~~wife~~ *spouse* or minor or dependent child as defined in section 291.005, either by blood or by adoption, of the donor;

(2) \$5,000, if the donee is ~~the husband~~, an adult child, by blood or by adoption, other lineal descendant, a stepchild as defined in section 291.005, or any mutually acknowledged child of the donor, or lineal descendants of such adopted or mutually acknowledged children;

(3) \$3,000, if the donee is a lineal ancestor of the donor;

(4) \$1,000, if the donee is a class C donee, as specified in section 292.07;

(5) \$250, if the donee is a class D donee, as specified in section 292.07.

Sec. 4. Minnesota Statutes 1974, Section 292.07, Subdivision 3, is amended to read:

Subd. 3. [CREDITS.] A tax credit shall be allowed, in computing gift taxes due under this act, to the following donees in the following amounts:

*Wife Spouse* of the donor . . . \$300

Minor child, dependent child as defined in section 291.005, or any minor legally adopted child of the donor . . . \$ 75

~~Husband~~, An adult child, by blood or by adoption, other lineal descendant, a stepchild as defined in section 291.005, or any mutually acknowledged child of the donor, or lineal descendants of such adopted, dependent or mutually acknowledged children or of a stepchild . . . \$ 20

Lineal ancestors of the donor . . . \$ 60

Brother or sister of the donor, a descendant of such brother or sister, a *wife spouse* or *widow surviving spouse* of a *son child* of the donor ; and ~~the husband of a daughter of the donor~~ . . . \$ 30

Brother or sister of the father or mother of the donor, and a descendant of a brother or sister of the father or mother of the donor . . . \$ 40

All others . . . \$ 20

The credit provided by this subdivision shall be allowed once only with respect to gifts by the donor to the same donee, and shall apply only to offset tax which would otherwise be due on gifts made on or after January 1, 1959.

Sec. 5. Minnesota Statutes 1974, Section 292.07, Subdivision 5, is amended to read:

Subd. 5. [CLASSES OF DONEES DEFINED.] Class A donees shall include only the *wife spouse* and minor or dependent child, as defined in section 291.005, of the donor, and a minor or dependent legally adopted child of the donor. Class B donees shall include only the ~~husband of the donor~~, adult child, stepchild as defined in section 291.005, or adult legally adopted child and the lineal issue of such stepchild or adopted child, lineal descendants and ancestors of the donor, any child of the donor to whom he or she has stood in the mutually acknowledged relation of parent for not less than ten years prior to the making of the gift if such relationship began at or before such child's fifteenth birthday and was continuous for ten years thereafter, and the lineal issue of such child. Class C donees shall include only a brother or sister of the donor, a descendant of such brother or sister ; a ~~wife or widow of a son~~ and a *wife or surviving spouse of a child* of the donor ; and ~~the husband of a daughter of the donor~~. Class D donees shall include all donees other than those includible in the foregoing classes.

Sec. 6. [EFFECTIVE DATE.] *This article is effective for estates of decedents dying after July 1, 1976 and for gifts made after July 1, 1976.*

#### ARTICLE IV

Section 1. Minnesota Statutes 1974, Section 270.13, is amended to read:

270.13 [RECORD OF PROCEEDINGS CHANGING ASSESSED VALUATION; DUTIES OF COUNTY AUDITOR.] A record of all proceedings of the commissioner of revenue affecting any change in the assessed valuation of any property, as revised by the state board of equalization, shall be kept by the commissioner of revenue and a copy thereof, duly certified, shall be mailed to the auditor of each county wherein such property is situated, ~~on or before October 15 each year~~. This record shall specify the amounts or amount, or both, added to or deducted from the valuation of the real property of each of the several towns and cities, and of the real property not in towns or cities, also the percent or amount of both, added to or deducted from the several classes of personal property in each of the towns and cities, and also the amount added to or deducted from the assessments of individuals, copartnerships, associations, or corporations. The county auditor shall add to or deduct from such tract or lot, or portion thereof, of any real property in his county the required percent or amount, or both, on the valuation thereof as it stood after equalized by the county board, adding in each case a fractional sum of 50 cents or more, and deducting in each case any fractional sum of less than 50 cents, so that no valuation of any separate tract or lot shall contain any fraction of a dollar; and add to, or deduct from, the several classes of personal property in his county the required percent or amount, or both, on the valuation thereof as it stood after equalized by the county board, adding or deducting in manner aforesaid any fractional sum so that no valuation of any separate class of personal property shall contain a fraction of a dollar, and add to or deduct from assessments of individuals, copartnerships, associations, or corporations, as they stood after equalization by the county board, the required amounts to agree with the assessments as returned by the commissioner of revenue.

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 270.16, Subdivision 2, is amended to read:

Subd. 2. When an assessor has failed to *properly* appraise ~~or has improperly appraised~~ at least one quarter of the parcels of property in a district or county ~~for two consecutive years as provided in section 273.01~~, the commissioner of revenue shall appoint a special assessor and deputy assessor as necessary and cause a reappraisal to be made of the property due for reassessment ~~pursuant to that section~~ *in accordance with law*.

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 273.012, Subdivision 3, is amended to read:

Subd. 3. The percentage of the excess of current tax over the base tax allowed as a credit shall be 100 percent for incomes up to

and including \$10,000 and shall decline 5 percentage points for each additional \$500 of income or portion thereof over \$10,000. "Income" means income as defined in section 290A.03, subdivision 3 of the qualified homeowner and spouse domiciled in the same homestead.

Sec. 4. Minnesota Statutes 1974, Chapter 273, is amended by adding a section to read:

[273.132] [STATE PAID AGRICULTURAL CREDIT.] *The county auditor shall reduce the tax on all property receiving the homestead credit pursuant to Minnesota Statutes, Section 273.13, Subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of 12 mills on the property. The county auditor shall reduce the tax on all other agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, by an amount that would be produced by applying a rate of ten mills on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue by November 15 of each year for verification.*

*Payment shall be made according to the procedure provided in section 273.13, subdivision 15a, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in this section. There is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make these payments.*

Sec. 5. Minnesota Statutes, 1975 Supplement, Section 274.14, is amended to read:

274.14 [LENGTH OF SESSION; RECORD.] *The county board of equalization or the special board of equalization appointed by it may continue in session and adjourn from time to time commencing on July 1 and ending on or before July 15, when it shall adjourn and no action taken subsequent to July 15 shall be valid unless a longer session period is approved by the commissioner of revenue. The commissioner may extend the session period to July 31 but no action taken by the county board of review after the extended termination date shall be valid. The county auditor shall keep an accurate record of the proceedings and orders of the board, which record shall be published in the same manner as other proceedings of county commissioners. A copy of such published record shall be transmitted to the commissioner of revenue, with the abstract of assessment required by section 274.16.*

Sec. 6. Minnesota Statutes, 1975 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 receipts and tax statements,*

or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. *The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property.* The county treasurer shall mail to taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than May 15; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. ~~Such statements shall also contain the amount of any reduction in real property taxes applicable to homesteads as provided in section 273.13, subdivisions 6 and 7 and the reductions attributable to the agricultural mill rate differential provided in section 124.03, subdivision 3.~~ *The statement shall also include the base tax as defined in section 273.011, subdivision 4, for qualified property as defined in section 273.011 for which the credit provided for in section 273.012 is claimed. The statement shall show the amount attributable to section 124.03, subdivision 3 4 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivision 6 and 7 as "state paid homestead credit."* The commissioner of revenue shall provide each county auditor with the names of those persons in the assessor's district who have filed and qualified for the property tax credit pursuant to sections 273.011 and 273.012 and shall inform the assessor of the base tax of those persons. If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists.

Sec. 7. Minnesota Statutes 1974, Section 276.05, is amended to read:

**276.05 [ADDRESSES OF PAYER GIVEN ON TAX RECEIPTS.]** *At his option the county treasurer may issue receipts showing payment of the tax except that upon the payment of any tax in currency or if the payer requests a receipt, the county treasurer shall give to the person paying a receipt therefor, showing the name and post-office address of the person, the amount and date of payment, the land, lot, or other property on which the tax was levied, according to its description on the tax list or in some other sufficient manner, and the year or years for which the tax was levied. If for current taxes on real estate, the receipt shall have written or stamped across its face, "taxes for" (giving the year in figures), or "first half of taxes for" (giving the year in figures), or "Last half of taxes for" (giving the year in figures), as the case may be. If land has been sold for taxes either*

to a purchaser, or to the state, and the time for redemption from such sale has not expired, the receipt for such taxes shall have written or stamped across the face, "sold for taxes." The treasurer shall make duplicates of all receipts and return all such duplicates at the end of each month to the county auditor, who shall file and preserve them in his office, charging the treasurer with the amount thereof.

Sec. 8. Minnesota Statutes 1974, Section 276.06, is amended to read:

276.06 [TAX STATEMENTS TO STATE APPORTIONMENT OF TAXES.] The treasurer of each county shall ~~may~~ cause to be printed, stamped, or written on the back of all current tax receipts ~~statements~~, or on a separate sheet or card to be furnished with the ~~receipts statements~~, a statement showing the number of mills of the current tax apportioned to the state, county, city, town, or school district.

Sec. 9. Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through

December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(v) *The Internal Revenue Code of 1954, as amended through December 31, 1975, shall be in effect for taxable years beginning after December 31, 1975.*

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Min-

nesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) 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;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue code of 1954, as amended through December 31, ~~1974~~ 1975, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, ~~1974~~ 1975, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101.

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20;

(5) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(8) The amount of compensation per personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974 1975, 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; and

*(10) 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.*

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 10. Minnesota Statutes, 1975 Supplement, Section 290.012, Subdivision 4, is amended to read:

Subd. 4. "Income" means ~~the sum of (a) gross income as defined in section 290.01- subdivision 20 (b) net income from sources outside the state, (c) alimony, (d) support money, and (e) relief, including relief granted under unemployment compensation (f) the gross amount of any pension or annuity, including railroad retirement benefits, all payments received under the federal social security act and veteran disability pensions, (g) non-taxable interest received from the state or federal governments or any of their instrumentalities, (h) the gross amount of "loss of time" insurance and (i) each public assistance and relief, not including relief granted under sections 290.0601 to 290.0618. It does not include gifts from nongovernmental sources, or surplus food or other relief in kind supplied by a governmental agent income of the claimant and spouse as defined in section 290A.03, subdivision 3.~~

Sec. 11. Minnesota Statutes 1974, Section 290.066, Subdivision 1, is amended to read:

290.066 [SPECIAL PROPERTY TAX CREDIT.] Subdivision 1. A person entitled to an amount equal to the qualified property tax credit allowed by section 273.012 shall file a claim with the department of revenue on or before ~~June 30~~ *the date provided in chapter 290A for filing a claim for property tax relief*. The department of revenue shall make available suitable forms with instructions for the claimant, including a form which may be included with or as a part of the individual income tax blank. The claim shall be in such form as the commissioner may prescribe.

Sec. 12. Minnesota Statutes 1974, Section 290.09, Subdivision 10, is amended to read:

Subd. 10. [MEDICAL EXPENSES.] Payments (not compensated for by insurance or otherwise) for expenses for hospital, nursing, medical, surgical, dental, and other healing services, including institutional care and treatment for the mentally ill and physically handicapped, and for medical supplies and ambulance hire, incurred by the taxpayer on account of sickness, mental illness, physical handicap or personal injury to himself or his dependents and premiums paid for hospitalization and medical insurance including non-profit hospital service and non-profit medical service plans. Payments for traveling expenses shall not be deductible under the provisions of this subdivision. Payments for hotel or similar lodging expenses shall be deductible in the same manner as payments for hospital services, if the taxpayer or his dependent is not hospitalized but is nevertheless required to remain in a medical center away from his usual place of abode, for the purpose of receiving prescribed medical treatment. *Payments for water filtration equipment and replacement components installed in the taxpayer's home to purify drinking water, which if consumed may be injurious to human health because of abestiform fibers content, shall be deductible as a medical expense in the year in which the equipment or parts were purchased.*

*This section shall be effective for equipment and replacement components purchased after December 31, 1974.*

Sec. 13. Minnesota Statutes, 1975 Supplement, Section 290.21, Subdivision 4, is amended to read:

Subd. 4. [DIVIDEND CREDIT.] (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 credit shall be allowed only in the proportion that the recipient corporation's taxable net income that is assignable or allocable to this state bears to the entire net income of the corporation.~~ The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were

paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a credit 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 credit has been received from income arising out of business done in this state,

(b) if the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as credit 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 credit has been received from income arising out of business done in this state.

*(c) The dividend credit 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.*

Sec. 14. Minnesota Statutes, 1975 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 and 7, but after deductions made pursuant to section 4 of this article and section 273.135, in 1976 or any calendar year thereafter. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 20 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common and one or more is not a claimant or spouse of a claimant, "property taxes payable" is that part of the property taxes payable on the homestead as reflects the percentage of ownership of the claimant and spouse. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

When a claimant and his spouse own their homestead part of the calendar year and rent it or a different homestead for part of the same year "property taxes payable" means only taxes payable on the homestead which was owned and occupied as such by claimant and spouse on January 2 of the year in which the tax is payable, multiplied by the percentage of 12 months that the property was owned and occupied by the household as its homestead during the preceding year.

Sec. 15. Minnesota Statutes, 1975 Supplement, Section 290A.06, is amended to read:

290A.06 [FILING TIME LIMIT, LATE FILING.] Any claim for property taxes payable shall be filed with the department of revenue on or before August 31 of the year in which the property taxes are due and payable, except that for homesteads which are mobile homes the claim shall be filed on or before October 31 of the year in which the property taxes are due and payable. The commissioner may extend the time for filing these claims for a period not to exceed six months in the case of sickness, absence, or other disability, or when in his judgment other good cause exists.

A claim filed after the original or extended due date shall be allowed, but the amount of credit shall be reduced by five percent of the amount otherwise allowable, plus an additional five percent for each month of delinquency, not exceeding a total reduction of 25 percent. In any event no claim shall be allowed if the claim is filed two years after the original due date for filing the claim.

Sec. 16. Minnesota Statutes, 1975 Supplement, Section 290A.07, Subdivision 1, is amended to read:

290A.07 [TIME FOR PAYMENT.] Subdivision 1. Allowable claims filed pursuant to the provisions of Laws 1975, Chapter 437, Article 1 shall be paid by the commissioner from the general fund, and an amount sufficient to make the payments is appropriated annually from the general fund to the commissioner of revenue.

Sec. 17. Minnesota Statutes, 1975 Supplement, Section 290A.07, Subdivision 2, is amended to read:

Subd. 2. A claimant who is a renter or who had attained the age of 65 or had been disabled prior to June 1 of the year following the year for which the taxes were levied or in which the rent was paid shall receive full payment no later than 60 days after receipt of the application or may elect to take as a credit against his income tax the full amount. *This option shall not be construed to extend the due date for filing the income tax return of the claimant.*

Sec. 18. Minnesota Statutes, 1975 Supplement, Section 290A.14, is amended to read:

290A.14 [PROPERTY TAX STATEMENT.] The county treasurer shall prepare and send a sufficient number of copies of the property tax statement to the owner, and to his escrow agent if the taxes are paid via an escrow account, to enable him to

comply with the filing requirements of Laws 1975, Chapter 437, Article 1 and to retain one copy for his records. The property tax statement, in a form prescribed by the commissioner, shall indicate the manner in which the claimant may claim relief from the state, ~~the amount of delinquent property taxes on the property in the preceding year,~~ and the amount of the tax for which the applicant may claim relief. *The statement shall also indicate if there are delinquent property taxes on the property in the preceding year.*

Sec. 19. Laws 1975, Chapter 349, Section 32, is amended to read:

Sec. 32. Sections 9, 13, 17 and 26 are effective the day following final enactment. *Sections 18, 19, and 20 are effective the day following final enactment of this article.* The remainder of the act is effective for all taxable years beginning after December 31, 1974.

Sec. 20. Minnesota Statutes 1974, Section 473F.06, is amended to read:

473F.06 [INCREASE IN ASSESSED VALUATION.] On or before November 20 of 1972 and each subsequent year, the auditor of each county in the area shall determine the amount, if any, by which the assessed valuation *determined in that the preceding year pursuant to section 473F.05,* of commercial-industrial property subject to taxation within each municipality in his county exceeds the assessed valuation in 1971 of commercial-industrial property subject to taxation within that municipality. If a municipality is located in two or more counties within the area, the auditors of those counties shall certify the data required by sections 473F.04 and 473F.05 to the county auditor who is responsible under other provisions of law for allocating the levies of that municipality between or among the affected counties. That county auditor shall determine the amount of the net excess, if any, for the municipality under this section, and certify that amount under section 473F.07. Notwithstanding any other provision of sections 473F.01 to 473F.13 to the contrary, in the case of a municipality which is designated on July 24, 1971, as a redevelopment area pursuant to Section 401(a) (4) of the Public Works and Economic Development Act of 1965, P.L. 89-136, the increase in its assessed valuation of commercial-industrial property for purposes of this section shall be determined in each year subsequent to the termination of such designation by using as a base the assessed valuation of commercial-industrial property in that municipality in the year following that in which such designation is terminated, rather than the assessed valuation of such property in 1971.

Sec. 21. Minnesota Statutes 1974, Section 473F.08, Subdivision 2, is amended to read:

Subd. 2. The taxable value of a governmental unit is its assessed valuation, as determined in accordance with other provisions of law, subject to the following adjustments:

(a) There shall be subtracted from its assessed valuation, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to 40 percent of the amount certified in that year pursuant to section

473F.06 in respect to that municipality as the total *preceding year's* assessed valuation of commercial-industrial property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total *preceding year's* assessed valuation of commercial-industrial property within the municipality;

(b) There shall be added to its assessed valuation, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to the area-wide base for the year attributable to that municipality as the total *preceding year's* assessed valuation of residential property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total *preceding year's* assessed valuation of residential property of the municipality.

Sec. 22. Minnesota Statutes 1974, Section 473F.08, Subdivision 3, is amended to read:

Subd. 3. On or before November 30 of 1972 and each subsequent year, the county auditor shall apportion the levy of each governmental unit in his county in the manner prescribed by this subdivision. He shall:

(a) Determine ~~that portion of the levy which bears the same proportion to the total levy as the amount set forth in subdivision 2, clause (b), bears to the taxable value of the governmental unit~~ *the area-wide portion of the levy for each governmental unit by multiplying the nonagricultural mill rate of the governmental unit for the preceding levy year times the distribution value set forth in section 473F.08, subdivision 2, clause (b) ; and*

(b) Determine ~~the excess of the levy over that portion of the levy determined pursuant to clause (a)~~ *the local portion of the current year's levy by subtracting the resulting amount from clause (a) from the governmental unit's current year's total levy .*

Sec. 23. Laws 1976, Chapter 5, Section 2, Subdivision 1, is amended to read:

Subdivision 1. [DIRECTOR OF DIVISION OF LIQUOR CONTROL.] No employee of the department of public safety or *the department of revenue* having any responsibility for the administration or enforcement of chapter 340 shall have a direct or indirect interest in the manufacture, transportation or sale of intoxicating liquor or any malt or vinous beverages, intoxicating, non-intoxicating, or commercial or industrial alcohol. The commissioner shall remove an employee of the department in the unclassified civil service for any violation of sections 340.02, 340.031 to 340.036, 340.11 to 340.19, 340.355 to 340.357, 340.402 to 340.408, 340.44 to 340.493, 340.53 to 340.56, 340.601 to 340.62, or 340.70 to 340.983. Violation of the preceding sections by a classified employee of the department shall be grounds for removal of that employee pursuant to section 43.24.

Sec. 24. Minnesota Statutes 1974, Section 340.44, as amended by Laws 1976, Chapter 5, Section 3, is amended to read:

340.44 [DEFINITIONS.] For the purposes of sections 340.44 to 340.56:

(1) "Brewer" means any person who manufactures malt liquor containing more than one half of one percent of alcohol by volume;

(2) "Wholesaler" means any person who sells such malt liquor and intoxicating liquors to retail dealers;

(3) "Retailer" means any person who sells such malt liquor and intoxicating liquors to a consumer;

(4) "Commissioner" means the commissioner of public safety *except where otherwise stated* ;

(5) "Fermented malt beverages" means any fermented malt liquor potable as a beverage containing more than one half of one percent of alcohol by volume.

Sec. 25. Minnesota Statutes 1974, Section 340.51, is amended to read:

340.51 [ENFORCEMENT; EMPLOYEES; RECORD OF SALE OF STAMPS; INSPECTION OF BOOKS AND PREMISES.] The commissioner of public safety and the commissioner of revenue shall enforce and administer the provisions of sections 340.44 to 340.56 and employ and fix the compensation of any employees necessary for the performance of ~~his~~ *their* duties thereunder.

The commissioner of revenue shall keep a suitable record of the sale of all stamps which shall show the dates of the sale thereof and the names of the purchasers. The commissioner of revenue may refund to any purchaser the money paid for any stamps returned unfit for use or otherwise unused, and prescribe the method of proof required for obtaining such refund.

The commissioner of public safety or the commissioner of revenue , or ~~his~~ *their* duly authorized employees, may, at all reasonable hours, enter in and upon any licensed premises, and examine the books, papers, and records of any brewer, manufacturer, wholesaler, or retailer for the purpose of inspecting the same and determining whether the tax imposed by sections 340.44 to 340.56 has been fully paid, and shall have the power to inspect and examine any premises where fermented malt beverages are manufactured, sold, exposed for sale, possessed, or stored for the purpose of determining whether the provisions of these sections are being complied with.

Sec. 26. Minnesota Statutes 1974, Section 340.55, is amended to read:

340.55 [FELONIES.] Every manufacturer or wholesaler and any one licensed to sell intoxicating liquor, who evades or attempts to evade, a payment of the tax thereon or fraudulently neglects or refuses to keep full and complete accounts in the book or books of accounts, or who refuses or neglects to make true and exact entries and reports of the same in the manner as required by the rules and regulations prescribed by the commissioner of public safety and the commissioner of revenue , or in any manner required by law, or who in any manner conspires to violate any provision of sections 340.44 to 340.56, or fails to do or cause to be done any of the things required by law to be done by such person, or who intentionally makes false entry in the book or in any statement, pertaining to his business, as contemplated in sections 340.44

to 340.56, or any one who shall refill or cause to be refilled a bottle or container which previously had contained intoxicating liquor, for the purpose of evading the payment of the tax thereon, or any person who in any manner sells intoxicating liquor without the proper Minnesota excise tax having been paid thereon, and who thereby evades, avoids and defrauds the state of the payment of the tax upon such intoxicating liquor shall be guilty of a felony.

Sec. 27. *In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the words "Internal Revenue Code of 1954, as amended through December 31, 1975" for the words "Internal Revenue Code of 1954, as amended through December 31, 1974" wherever such words occur in chapter 290, except section 290.01, subdivision 20.*

Sec. 28. [APPROPRIATION.] *There is appropriated from the general fund of the state treasury to the commissioner of revenue the sum of \$400,000 for the fiscal year ending June 30, 1977, to administer a computer verification program and to pay related costs incurred to audit claims filed pursuant to the Minnesota Income-Adjusted Home-  
stead Credit Act, Minnesota Statutes, Chapter 290A.*

Sec. 29. [REPEALER.] *Minnesota Statutes, 1975 Supplement, Section 124.03 is repealed.*

Sec. 30. [EFFECTIVE DATE.] *Sections 1, 2, 4, 5, 7, 8, 11, and 16 to 19 and 23 to 29 are effective the day following final enactment. Sections 3, 9, 10, and 14 are effective for taxable years beginning after December 31, 1975. Section 6 is effective for the 1977 assessment year and subsequent years. Section 13 is a declaration of law existing prior to enactment of Laws 1975, Chapter 349, Section 17, and is not a change in such pre-existing law. Section 15 is effective for claims to be filed in 1977 and subsequent years. Sections 20, 21, and 22 are effective for taxes levied in 1976 and payable in 1977.*

#### ARTICLE V

Section 1. Minnesota Statutes 1974, Section 298.282, Subdivision 2, is amended to read:

Subd. 2. Each year commencing in ~~1972~~ 1976, and the following final determination of the amount of taxes payable under section 298.-241, the commissioner of revenue shall determine the amount in the taconite municipal aid account as of July 1 of such year and the amount to be distributed to each qualifying municipality during such year. The amount to be distributed to each qualifying municipality shall be determined by dividing the total amount in said account, *after a reduction equal to the amount of the distribution in subdivision 5,* as of July 1 by the total population according to the latest federal census of all qualifying municipalities to determine the per capita distributive share for such year and by multiplying the per capita distributive share by the population of such municipality. Upon completion of such determination, the commissioner of revenue shall certify to the chief clerical officer of each qualifying municipality the amount which will be distributed to such municipality from the taconite municipal aid account that year.

Sec. 2. Minnesota Statutes 1974, Section 298.282, is amended by adding a subdivision to read:

*Subd. 5. Commencing in 1976, the commissioner of finance, on the basis of determinations made by the commissioner of revenue, shall annually on September 15 make a payment from the taconite municipal aid fund to cities and towns for the purpose of replacing the revenue loss to them resulting from Laws 1975, Chapter 437, Article XI, Section 7. The amount of aid to be paid annually to each city and town is the amount they were entitled to receive for 1975 under the provisions of Minnesota Statutes 1974, Section 298.32.*

Sec. 3. Minnesota Statutes 1974, Section 298.282, is amended by adding a subdivision to read:

*Subd. 6. No city, town, county, or school district shall be required to repay any aid received pursuant to Minnesota Statutes 1974, Section 298.32, because the amount received exceeds the five cents per ton aid limitation contained therein.*

#### ARTICLE VI

Section 1. Minnesota Statutes 1974, Section 473F.02, Subdivision 7, is amended to read:

Subd. 7. "Population" means the most recent estimate of the population of a municipality made by the metropolitan council and filed with the commissioner of ~~finance~~ *revenue*. The council shall annually estimate the population of each municipality as of a date which it determines and, in the case of a municipality which is located partly within and partly without the area, the proportion of the total which resides within the area, and shall promptly thereafter file its estimates with the commissioner of ~~finance~~ *revenue*.

Sec. 2. Minnesota Statutes 1974, Section 473F.02, Subdivision 11, is amended to read:

Subd. 11. "Locally raised revenues" means the total money receipts of a municipality, including those of its constituent agencies, boards, commissions, and other bodies, from all sources and for all purposes, reduced by the expenses, including a reasonable allowance for depreciation of capital assets, incurred in the operation by the municipality of facilities for the production or sale of electricity, water, gas, heat, or telephone service, except that locally raised revenues shall not include:

(a) Revenues derived from the operation of municipal liquor stores;

(b) Public grants, as defined in subdivision 17, except that for purposes of this subdivision the amount prescribed by clause (2) of subdivision 17 shall be multiplied by 10;

(c) Grants or gifts from private persons, unless made by an entity exempt from ad valorem taxation in an amount which does not exceed the ad valorem tax which would have been payable by the entity during that year for the benefit of the recipient if the exemption did not exist; and

(d) The proceeds of any indebtedness incurred by the municipality.

The state auditor shall certify the locally raised revenues of each municipality for each year to the commissioner of ~~finance~~ *revenue*

not later than September 1 of the subsequent year. If the fiscal year of a municipality ends on a date other than December 31, the certification shall relate to the fiscal year which ended in the calendar year preceding that in which the certificate is required to be made, and references in sections 473F.01 to 473F.13 to the locally raised revenues of a municipality in a specified year shall be deemed to refer to the fiscal year ended in the specified calendar year.

Sec. 3. Minnesota Statutes 1974, Section 473F.02, Subdivision 12, is amended to read:

Subd. 12. "Market value" of real property within a municipality means the "actual market value" of real property within the municipality, determined in the manner and with respect to the property described for school districts in section 475.53, subdivision 4, except that no adjustment shall be made for property on which taxes are paid into the state treasury under gross earnings tax laws applicable to common carrier railroads. For purposes of sections 473F.01 to 473F.13, the equalization aid review committee shall annually make determinations and reports with respect to each municipality which are comparable to those it makes for school districts under section 124.212, subdivision 10, in the same manner and at the same times as are prescribed by the subdivision. ~~The auditor of each county and the commissioner of revenue shall annually determine and certify to the commissioner of finance~~, for each municipality, information comparable to that required of each of them by section 475.53, subdivision 4, for school districts, as soon as practicable after it becomes available. The commissioner of ~~finance~~ revenue shall then compute the market value of property within each municipality.

Sec. 4. Minnesota Statutes 1974, Section 473F.08, Subdivision 2, is amended to read:

Subd. 2. The taxable value of a governmental unit is its assessed valuation, as determined in accordance with other provisions of law, subject to the following adjustments:

(a) There shall be subtracted from its assessed valuation, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to 40 percent of the amount certified in that year pursuant to section 473F.06 in respect to that municipality as the total assessed valuation of commercial-industrial property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total assessed valuation of commercial-industrial property within the municipality;

(b) ~~There shall be added to its assessed valuation,~~ In each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount *shall be determined* which bears the same proportion to the area-wide base for the year attributable to that municipality as the total assessed valuation of residential property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total assessed valuation of residential property of the municipality. *If the*

*governmental unit is located wholly within the area, the amount as determined in accordance with clause (b) shall be added to that governmental unit's assessed valuation. However, if the governmental unit is located partly within and partly without the area, an amount equal to the assessed value amount which was determined in accordance with clause (b) for that governmental unit for the year immediately preceding the current levy year shall be added to that governmental unit's assessed valuation.*

Sec. 5. Minnesota Statutes 1974, Section 473F.08, Subdivision 7, is amended to read:

Subd. 7. On or before January 1 of 1973 ~~and each subsequent~~ year, the ~~administrative auditor~~ *commissioner of revenue* shall certify to the state treasurer the amount of that portion of the levy made by each governmental unit set forth in subdivision 3, clause (a). Each county treasurer shall remit ~~all~~ *50 percent of the total real and personal property tax payments levy* computed pursuant to subdivision 5 to the state treasurer not later than 20 days before the times prescribed by chapter 276, for the apportionment and distribution of tax revenues by county treasurers of the May settlement and the remaining one half shall be remitted on or before December 31. The state treasurer shall deposit ~~such~~ *these* payments to the credit of the area-wide tax account, which is hereby created. Marginal expenses incurred by the state treasurer under this section, and all refunds of tax receipts paid into the account, shall be paid from the account, and all interest earned on moneys in the account shall be credited to the account, and the distributions under subdivision 8 shall be adjusted proportionately to reflect expense payments and interest income and reduced to reflect the payment of each refund in amounts proportionate to the distributions received in the year the tax was paid.

Sec. 6. Minnesota Statutes 1974, Section 473F.08, Subdivision 8, is amended to read:

Subd. 8. The state treasurer shall apportion and distribute amounts received by him pursuant to subdivision 7 to the county treasurer having jurisdiction of each governmental unit entitled thereto as shown by the certification to him in accordance with subdivision 7. The apportionment and distribution shall be made in the manner and not later than ten days before the times prescribed by chapter 276, for the apportionment and distribution of tax revenues by county treasurers *after the receipt of the payments from the county treasurers*. Each county treasurer shall include the amounts thus received in his distributions pursuant to chapter 276. Amounts necessary for distributions, refunds and payment of administrative expenses under sections 473F.01 to 473F.13 are hereby appropriated.

Sec. 7. Minnesota Statutes 1974, Section 473F.12, Subdivision 2, is amended to read:

Subd. 2. On September 1 of 1971 ~~and each subsequent~~ year, the commissioner of ~~finance~~ *revenue* shall estimate the total amount available for distribution to municipalities from the municipal equity account during the subsequent calendar year. The amount

so estimated shall be the sum of the estimated balance in the account on November 15 of the year in which the estimate is made, the estimated deposits to the credit of the account thereafter through November 15 of the subsequent year, and interest earned by the fund over the 12 month period. The amount to be distributed to each qualifying municipality shall be the amount determined in accordance with subdivision 3, except that (a) if the sum of the amounts so determined differs from the total amount estimated to be available for distribution, the amount of the distribution to each municipality shall be adjusted proportionately, and (b) the amount to be distributed to each qualifying municipality, after any adjustment prescribed by clause (a), shall not be less than \$9, or, if the total amount estimated to be available for distribution is less than \$40 millions, that proportion of \$9 which equals the proportion which the total amount estimated to be available for distribution bears to \$40 millions, multiplied by the population of the municipality residing within the area as determined in the year preceding that in which the estimate is made. To the extent that the distributions to any municipality or group of municipalities are adjusted pursuant to clause (b), the distributions to all other municipalities shall be adjusted proportionately in amounts sufficient to make the total of the distributions to all municipalities equal the total amount estimated to be available for distribution. The commissioner of ~~finance~~ *revenue* shall notify the governing body of each qualifying municipality of the amount so determined with respect to that municipality before September 20.

Sec. 8. Minnesota Statutes 1974, Section 473F.12, Subdivision 4, is amended to read:

Subd. 4. On or before each of the dates June 15 and November 15 of ~~1972~~ and each subsequent year, the commissioner of finance shall issue his warrant in favor of the treasurer of each qualifying municipality in an amount equal to one half the amount determined by the commissioner of ~~finance~~ *revenue* to be due the municipality in that year under the terms of subdivision 2. There is hereby appropriated from the municipal equity account, to each municipality entitled to payments authorized by this section, sufficient moneys to make such payments.

Sec. 9. Minnesota Statutes 1974, Section 473F.13, Subdivision 1, is amended to read:

473F.13 [CHANGE IN STATUS OF MUNICIPALITY.] Subdivision 1. If a qualifying municipality is dissolved, is consolidated with all or part of another municipality, annexes territory, has a portion of its territory detached from it, or is newly incorporated, the secretary of state shall immediately certify that fact to the commissioner of ~~finance~~ *revenue*. The secretary of state shall also certify to the commissioner of ~~finance~~ *revenue* the current population of the new, enlarged, or successor municipality, if determined by the municipal commission incident to consolidation, annexation, or incorporation proceedings. The population so certified shall govern for purposes of sections 473F.01 to 473F.13 until the metropolitan council files its first population estimate as of a later date with the commissioner of

**finance revenue** . If an annexation of unincorporated land occurs without proceedings before the municipal commission, the population of the annexing municipality as previously determined shall continue to govern for purposes of sections 473F.01 to 473F.13 until the metropolitan council files its first population estimate as of a later date with the commissioner of **finance revenue** .

Sec. 10. Minnesota Statutes 1974, Section 473F.13, Subdivision 2, is amended to read:

Subd. 2. The amount of each distribution from the municipal equity account shall reflect the status of municipalities as certified to the commissioner of **finance revenue** on September 1 of the year preceding that in which the distribution is made. If the status of a municipality thereafter changes before the distribution is made, the distribution shall be made to the successor municipality or municipalities. If there are two or more successors, the distribution shall be apportioned among them in accordance with section 414.067.

Sec. 11. *In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the words "commissioner of revenue" for the words "administrative auditor" wherever they appear in chapter 473F.*

Sec. 12. *Minnesota Statutes 1974, Sections 473F.02, Subdivision 6; 473F.03; 473F.07, Subdivision 2; and 473F.08, Subdivision 9 are repealed.*

Sec. 13. *This article is effective on the day following final enactment.*

## ARTICLE VII

Section 1. [REFUNDS TO BE GIVEN CERTAIN TAXPAYERS.] *Each individual who files an individual income tax return pursuant to Minnesota Statutes, Chapter 290, for a taxable year beginning in 1975, who is hereinafter referred to as a taxpayer, may be eligible to receive the refunds made pursuant to the provisions of this article.*

Sec. 2. [REFUND FOR INDIVIDUALS.] *The taxpayer shall receive a refund in the amount found by dividing by 21 the credit for which he was eligible for his first taxable year beginning in 1975 pursuant to Minnesota Statutes, Section 290.06, Subdivision 3c, Clauses (1), (2), (3), (6), and (7), and multiplying that figure by 12.*

Sec. 3. [REFUND OF 1975 INDIVIDUAL INCOME TAXES.] *Subdivision 1. [GENERAL RULE.] Except as otherwise provided in this section, the taxpayer shall receive a refund in an amount equal to ten percent of his tax liability for his first taxable year beginning in 1975 after subtraction of other credits due him pursuant to the provisions of Minnesota Statutes, Sections 290.06 and 290.081.*

Subd. 2. [LIMITATION BASED ON GROSS INCOME.] *For a taxpayer who has a gross income as defined in Minnesota Stat-*

utes, Section 290.01, Subdivision 20, in excess of \$20,000, the refund made pursuant to this section shall be limited as follows:

(a) In the case of a single taxpayer, or married taxpayers filing a joint return or filing separately on a combined return, in which case both spouses shall be treated as one taxpayer, the amount by which ten percent of his tax liability exceeds \$100 shall be reduced, but not below zero, by an amount which bears the same ratio to that excess as his gross income for that taxable year in excess of \$20,000 bears to \$10,000.

(b) In the case of a married individual filing a separate return, the amount by which ten percent of his tax liability exceeds \$50 shall be reduced, but not below zero, by an amount which bears the same ratio to that excess as his gross income for that taxable year in excess of \$10,000 bears to \$5,000.

Sec. 4. [PAYMENT OF REFUNDS.] Subdivision 1. [LIMIT ON TOTAL REFUND.] In no event shall the sum of the refund made pursuant to section 2 plus that made pursuant to section 3 exceed the liability of the taxpayer for the taxable year for which he receives the refunds.

Subd. 2. [PAYMENT BY COMMISSIONER.] The commissioner of revenue shall calculate and pay the refunds authorized by this article. The amount of any refund payable under this article may be applied by the commissioner of revenue against any liability for tax owed to the department of revenue by the taxpayer or spouse of the taxpayer, and shall pay the balance due, if any, to the taxpayer.

Subd. 2a. [ERRONEOUS REFUNDS; CLAIMS.] A taxpayer who receives no refund from the commissioner pursuant to this article, or who believes that he is entitled to the refund of a sum greater than that which he has been paid, may file a claim in writing with the commissioner of revenue stating the amount to which he believes he is entitled. Any orders denying such claims in whole or in part shall be appealable to the Minnesota tax court as provided in Minnesota Statutes, Section 271.06.

Subd. 2b. [STATUTE OF LIMITATIONS.] No refund shall be made under this article on any return which is filed more than six months after the due date or extended due date for the filing of the return as provided in Minnesota Statutes, Section 290.42, and claims for refunds under this article shall be subject to the provisions of Minnesota Statutes, Section 290.50.

Subd. 3. [INTEREST.] No amount of interest shall be paid to any taxpayer on the refunds paid by the commissioner of revenue pursuant to this article.

Subd. 4. [PAYMENT NOT REQUIRED.] When the sum of the refunds for which the taxpayer is eligible pursuant to this article is less than \$1 the commissioner of revenue is not required to make the refunds.

Subd. 5. [NONTAXABILITY OF REFUNDS.] Money refunded pursuant to this article shall not be considered as income for purposes of Minnesota Statutes, Chapters 290 and 290A and

*shall not be considered as income in any program of public assistance or public welfare.*

Sec. 5. [INTEREST AND PENALTIES ON ORIGINAL LIABILITY.] *Interest and penalties on amounts due from the taxpayer pursuant to Minnesota Statutes, Chapter 290, for his first taxable year beginning in 1975 shall be imposed on the liability of the taxpayer for that year as calculated without regard to the refunds made pursuant to this article.*

Sec. 6. [APPROPRIATION.] *There is appropriated from the general fund in the state treasury to the commissioner of revenue a sum sufficient for the administration of sections 1 to 5 and to make the refunds authorized by sections 1 to 5.*

Sec. 7. [EFFECTIVE DATE.] *This article is effective the day following final enactment.*

### ARTICLE VIII

Section 1. [DEFINITION; SOLAR ENERGY SYSTEM.] *For purposes of section 2 and Minnesota Statutes, Sections 272.02, Subdivision 1, 290.06, Subdivisions 9 and 9a, and 297A.25, Subdivision 1, the term "solar energy system" means a set of devices having as its primary purpose to collect solar energy and convert and store it for useful purposes including heating and cooling buildings or other energy-using processes, or to produce generated power by means of any combination of collecting, transferring, or converting solar-generated energy.*

Sec. 2. [STANDARDS OF PERFORMANCE.] *The building code division of the department of administration in consultation with the energy agency shall promulgate by December 31, 1976, pursuant to Minnesota Statutes, Chapter 15, the administrative procedures act, quality and performance standards which are in reasonable conformance with the Interim Performance Criteria for Solar Heating and Combined Heating/Cooling Systems and Dwellings, National Bureau of Standards, January 1, 1975; and the Interim Performance Criteria for Commercial Solar Heating and Combined Heating/Cooling Systems and Facilities, National Aeronautics and Space Administration, February 28, 1975 to insure that within the existing state of development, solar energy systems as defined in section 1 which are sold or installed within the state are effective and represent a high standard of quality of material, workmanship, design, and performance. The department of administration in consultation with the energy agency shall modify existing standards and promulgate new standards subsequent to December 31, 1976 as new technology and materials become available, or as standards are revised by the federal government.*

*Manufacturers or retailers of solar energy systems shall disclose to each bona fide potential purchaser of a system the extent to which the system meets or exceeds each quality standard.*

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 272.02, Subdivision 1, is amended to read:

272.02 [EXEMPT PROPERTY.] Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025, all

property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity;
- (7) All public property exclusively used for any public purpose;
- (8) All natural cheese held in storage for aging by the original Minnesota manufacturer;
- (9) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct such exemption from the total valuation of such property as equalized by the revenue commissioner assessed to such household, and extend the levy of taxes upon the remainder only. The term "household" as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in those cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds and certificates of indebtedness hereafter issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state, or any county or city thereof, shall hereafter be exempt from taxation; provided, that nothing herein contained shall be construed as exempting such bonds from the payment of a tax thereon, as provided for by section 291.01, when any of such bonds constitute, in whole or in part, any inheritance or bequest, taken or received by any person or corporation.

(10) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(11) The taxpayer shall be exempted with respect to, all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1 (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures.

(12) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by Extra Session Laws 1967, Chapter 32;

(13) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(14) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(15) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used.

*(16) For taxes payable in 1977 and subsequent years, billboards used to display commercial advertising messages, whether located on or off the premises of the person or business concern whose products or services are being advertised.*

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. Any such equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit, *stipulation* or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting such property from taxation. Any such equipment or device shall continue to be exempt from taxation as long as the permit, *stipulation* or order issued by the Minnesota Pollution Control Agency remains in effect.

*(16) The part of the value of real and personal property equipped with an energy supply or use system which includes a solar energy device as defined in section 1, that exceeds the value of the property if it were equipped with a conventional energy supply or use system, if the property is not used to provide energy for sale.*

Sec. 4. Minnesota Statutes 1974, Section 290.06, Subdivision 9, is amended to read:

Subd. 9. [POLLUTION CONTROL EQUIPMENT, CREDIT.] (a) A credit of ~~five~~ *ten* percent of the next cost of equipment included in section 290.09, subdivision 7, paragraph (A) (a) that is installed and operated within Minnesota exclusively to prevent pollution of air, water, or land in accordance with engineering principles approved by the Minnesota pollution control agency, *or of the net cost of an individual sewage treatment system constructed prior to January 1, 1978, or for use by a structure devoted to temporary and seasonal residential occupancy for recreational purposes, provided that the individual sewage treatment system was constructed as a result of state or local laws, ordinances or regulations relating to water pollution, or of the net cost of a solar energy device as defined in section 1,* may be deducted from the tax due under chapter 290 in the first year in which the property is installed or for which a depreciation deduction is allowed for the ~~equipment property or device~~. The credit allowed by this subdivision shall not exceed so much of the liability for tax for the taxable year as does not exceed ~~\$50,000~~ *\$100,000*. *The credit shall apply only if the property or device meets or exceeds standards, regulations, or criteria prescribed by the Minnesota pollution control agency and, where applicable, if it is installed or operated in accordance with a permit or order issued by the agency, or in the case of a solar energy device, if it meets standards promulgated by the building code division of the department of administration pursuant to section 2.*

(b) If the amount of the credit determined under (a) for any taxable year for which a depreciation deduction is allowed exceeds the limitation provided by (a) for such taxable year (hereinafter in this subdivision referred to as the "unused credit year"), such excess shall be ;

~~(1) a credit carryback to each of the three taxable years preceding the unused credit year, and~~

~~(2) a credit carryover to each of the seven taxable years following the unused credit year.~~

The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the ~~ten~~ *seven* taxable years to which ~~(by reason of (1) and (2))~~ such credit may be carried and then to each of the other ~~nine~~ *six* taxable years; provided, however, the maximum credit allowable in any one taxable year under this subdivision (including the credit allowable under (a) and the ~~carryback or~~ carryforward allowable under this paragraph) shall in no event exceed ~~\$50,000~~ *\$100,000*.

(c) This subdivision shall apply to property acquired in taxable years beginning on or after January 1, ~~1969~~ *1976, to solar devices installed after December 31, 1976, and to individual sewage treatment systems installed after April 1, 1974.*

Sec. 5. Minnesota Statutes 1974, Section 290.06, Subdivision 9a, is amended to read:

Subd. 9a. [FEEDLOT POLLUTION CONTROL EQUIPMENT.] A credit of 10 percent of the net cost of pollution control and abatement equipment, including but not limited to, lagoons, aerating equipment, 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 chapter 290 in the taxable year in which such equipment is purchased; provided that no deduction shall be taken for any portion of the cost of the same equipment pursuant to subdivision 9. The credits provided for in this subdivision and in subdivision 9 shall terminate on December 31, ~~1976~~ 1983 .

*If the amount of the deduction 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 back to the three taxable years preceding the year of purchase and carried forward to the seven taxable years following the year of purchase.*

Sec. 6. Minnesota Statutes 1974, Section 297A.25, Subdivision 1, is amended to read:

297A.25 [EXEMPTIONS.] Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property

transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (Storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars,

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material,

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies,

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or

consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of cigarettes.

(s) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, Section 1901, as amended.

(t) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360 654, if the aircraft is resold while the permit is in effect.

(u) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner

of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(v) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(w) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(x) *After January 1, 1977, the gross receipts from the sale of and the storage, use or other consumption of solar energy as defined in section 1, not bought or used to provide energy for sale.*

**Sec. 7. [EFFECTIVE DATE.] Sections 1, 2, 4, 5 and 6 are effective the day after final enactment, except as provided therein. Section 3 is effective for taxes levied in 1977, payable in 1978.**

## ARTICLE IX

Section 1. Minnesota Statutes 1974, Chapter 273, is amended by adding a section to read:

[273.132] [REDUCED ASSESSMENT PROPERTY AID.]  
*Subdivision 1. Each county government, city, township, special taxing district, and each school district which levied ad valorem taxes payable in 1977 shall receive reimbursement in 1977 and subsequent years for the difference in tax as determined in subdivision 2, on class 3cc property assessed under section 273.13, subdivision 7, and on structures used as housing for the elderly or for low and moderate income families and assessed under section 273.13, subdivision 17 or 17b.*

*Subd. 2. (a) The county auditor shall calculate the tax on the property described in subdivision 1 in the same manner as like property would be assessed, notwithstanding section 273.13, subdivision 7, as it relates to class 3cc property, and section 273.13, subdivisions 17 and 17b.*

*(b) The difference between the amount calculated pursuant to clause (a) and the amount of tax actually payable by the owner on such property pursuant to those sections shall be distributed to the taxing districts by the commissioner of revenue in the same proportion that the ad valorem tax was distributed. He shall make payment directly to the affected taxing districts on July 15*

*of each year, commencing in 1977. There is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make these payments.*

*Subd. 3. The county auditor shall enter on the abstract of assessment of real property the assessed value of the affected property computed pursuant to subdivision 2, clause (a), which value shall be the basis of computing the distribution of school aids.*

*Subd. 4. For the purpose of determining the amount of the property tax levy subject to the limitation imposed by Minnesota Statutes, Sections 275.50 to 275.56, the property tax levy of a county government, city or town subject to the limitation shall be the property tax levy of that governmental unit prior to the distribution made pursuant to this section.*

Sec. 2. Minnesota Statutes 1974, Section 273.13, Subdivision 17b, is amended to read:

**Subd. 17b. [VALUATION OF FARMERS HOME ADMINISTRATION PROPERTY IN MUNICIPALITIES OF UNDER 10,000.]** Notwithstanding any other provision of law, any structure

(a) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the farmers home administration,

(b) located in a municipality of less than 10,000 population,

(c) financed by a direct loan or insured loan from the farmers home administration, and

(d) which qualifies under subdivision 17a, shall, for 15 years from the date of the completion of the original construction or for the original term of the loan, be assessed at five percent of the adjusted market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents. *The five percent assessment rate shall apply only to structures which qualify for that rate and paid taxes accordingly in 1977 or previous years. Structures which qualify for assessment and pay taxes under this subdivision in years subsequent to 1977 shall be assessed at 20 percent of their adjusted market value.*

## ARTICLE X

Section 1. Minnesota Statutes, 1975 Supplement, Section 275.51, Subdivision 3c, is amended to read:

Subd. 3c. The property tax levy limitation for governmental subdivisions in 1976 payable in 1977 shall be calculated as follows:

(a) In cities and townships, the sum of the levy limit base computed pursuant to subdivision 3b plus 17.5 percent of the local government aids received in calendar year 1976 pursuant to

section 477A.01 plus any increases authorized by section 275.52, subdivision 4 shall be determined. This sum shall be divided by the population of the city or township as determined in accordance with section 275.53 for calendar year 1975. The resultant quotient shall be increased pursuant to section 275.52, subdivision 2 to derive the levy limit base per capita for the city or town for taxes levied in 1976 payable in 1977.

(b) In the case of counties, the levy limit base computed pursuant to subdivision 3b plus any increase pursuant to section 275.52, subdivision 4 plus any increase allowed pursuant to Laws 1974, Chapter 490 shall be divided by the population of the county for calendar year 1976 1975 as determined pursuant to section 275.53. The resultant quotient shall be increased pursuant to section 275.52, subdivision 2 to derive the levy limit base per capita for the county for taxes levied in 1976 payable in 1977, and in counties not containing a city of the first class the 1976 levy limit base per capita for taxes levied in 1976 payable in 1977 shall be increased by ten percent.

(c) In all governmental subdivisions the levy limit base per capita for 1976 payable 1977 shall be multiplied by the population of the governmental subdivision as determined pursuant to section 275.53 for calendar year 1976. This is the levy limit base for 1976 taxes payable in 1977.

The levy limit base shall be reduced by the full amount of state formula aids to be paid in 1977 pursuant to section 477A.01, and taconite aids to be paid in 1977 pursuant to sections 294.26, 298.26, 298.28, subdivisions 1 and 1a, 298.281, subdivision 1, 298.282, and 298.32 and Laws 1975, Chapter 437, Article 11. The resulting figure is the amount of property taxes which a governmental subdivision may levy in 1976 payable in 1977 for all purposes other than those for which special levies and special assessments are made.

Sec. 2. [EFFECTIVE DATE.] *This article is effective on the day following final enactment.*

## ARTICLE XI

Section 1. Minnesota Statutes, 1975 Supplement, Section 290.06, Subdivision 3c, is amended to read:

Subd. 3c. [CREDITS AGAINST TAX.] Notwithstanding the provisions of subdivision 3a for taxable years which begin after December 31, 1971, the taxes due under the computation in accordance with section 290.06 shall be credited with the following amounts:

(1) In the case of an unmarried individual, and, except as provided in paragraph 6, in the case of the estate of a decedent, \$21, and in the case of a trust, \$5;

(2) In the case of a married individual, living with husband or wife, and in the case of a head of a household, \$42. If such husband and wife make separate returns the personal exemption may be taken by either or divided between them;

(3) In the case of an individual, \$21 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. In the case of the head of a household, a credit for one dependent shall be disallowed. A payment to a divorced or separated wife, other than a payment of the kind referred to in section 290.072, subdivision 3, shall not be considered a payment by the husband for the support of any dependent.

(4) (a) In the case of an unmarried individual who has attained the age of 65 before the close of his taxable year, an additional \$21;

(b) For taxable years which begin after December 31, 1974 1975, in the case of an unmarried individual who is ~~blind~~ *disabled* at the close of the taxable year, an additional \$25;

(c) In the case of a married individual, living with husband or wife, an additional \$21 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$25 for each spouse who is ~~blind~~ *disabled* at the close of the individual's taxable year. If such husband and wife make separate returns, these credits may be taken by either or divided between them;

(d) For the purposes of sub-paragraphs (b) and (c) of paragraph (4), an individual is ~~blind~~ *disabled* if his ~~central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees he has a disability as defined in Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 10.~~

(e) For taxable years which begin after December 31, 1974, in the case of an unmarried individual who is deaf at the close of the taxable year, an additional \$25.

(f) For taxable years which begin after December 31, 1974, in the case of a married individual, an additional \$25 for each spouse who is deaf at the close of the taxable year. If the husband and wife make separate returns, these credits may be taken by either or divided between them.

(g) For taxable years which begin after December 31, 1974, in the case of an individual, an additional \$25 for each person (other than a spouse) who is deaf and dependent upon and receiving his chief support from the taxpayer.

(h) For the purposes of subparagraphs (e), (f) and (g) of paragraph (4), an individual is deaf if the average loss in the speech frequencies (500-2000 Hertz) in the better ear, unaided, is 92 decibels, American National Standards Institute, or worse.

(5) In the case of an insurance company, it shall receive a credit on the tax computed as above equal in amount to any taxes based on premiums paid by it during the period for which the tax

under Extra Session Laws 1967, Chapter 32, is imposed by virtue of any law of this state, other than the surcharge on premiums imposed by Extra Session Laws 1933, Chapter 53, as amended;

(6) If the status of a taxpayer, insofar as it affects the credits allowed under paragraphs 1, 2 and 3 shall change during the taxable year, or if the taxpayer shall either become or cease to be a resident of the state during such taxable year, such credit shall be apportioned, in accordance with the number of months before and after such change. For the purpose of such apportionment, a fractional part of a month shall be disregarded unless more than one-half of the month, in which case it shall be considered as a month. In case of death during a taxable year, a credit shall be allowed to the decedent, in proportion to the number of months before his death, and to his estate, in proportion to the number of months after his death, and in any event a minimum credit of \$5 shall be allowed to the decedent and his estate, respectively;

(7) In the case of a non-resident individual, credits under paragraphs 1, 2, 3 and 4 shall be apportioned in the proportion of the gross income from sources in Minnesota to the gross income from all sources, and in any event a minimum credit of \$5 shall be allowed.

## ARTICLE XII

Section 1. Minnesota Statutes 1974, Section 273.133, is amended to read:

273.133 [TREATMENT OF COOPERATIVES, AND CHARITABLE CORPORATIONS OR OTHER NONPROFIT CORPORATIONS.] *Subdivision 1.* [COOPERATIVES AND CHARITABLE CORPORATIONS.] When a building which contains several dwelling units is owned by a corporation or association organized under sections 308.05 to 308.18, and each person who owns a share or shares in the corporation or association is entitled to occupy a unit in the building, the corporation or association may claim homestead treatment for each unit in accordance with section 273.13, subdivision 7, for the part of the value of the building represented by each such unit occupied by a shareholder. Each unit shall be designated by legal description, and the assessed value of the building shall be the sum of the assessed values of each of the respective units comprising said building. To qualify for the treatment provided by this section, the corporation or association must be wholly owned by persons having shares entitling them to occupy a unit in the building. A charitable corporation organized under the laws of Minnesota and not otherwise exempt thereunder with no outstanding stock shall qualify for such homestead treatment with respect to member residents of such dwelling units who have purchased and hold residential participation warrants entitling them to occupy such units.

*Subd. 2.* [OTHER NONPROFIT CORPORATIONS.] *When a building containing several dwelling units is owned by an entity organized under chapter 317 and operating as a nonprofit cor-*

*poration which enters into membership agreements with persons under which they are entitled to life occupancy in a unit in the building, homestead classification shall be given to each unit so occupied and the entire building shall be assessed in the manner provided in subdivision 1 for cooperatives and charitable corporations.*

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 290A.03, Subdivision 12, is amended to read:

Subd. 12. [GROSS RENT.] "Gross rent" means rental paid solely for the right of occupancy, at arms-length, of a homestead, exclusive of charges for any utilities, services, furniture, furnishings or personal property appliances furnished by the landlord as a part of the rental agreement, whether expressly set out in the rental agreement or not. If the landlord and tenant have not dealt with each other at arms-length and the commissioner determines that the gross rent charged was excessive, he may adjust the gross rent to a reasonable amount for purposes of sections 290A.01 to 290A.21.

If the landlord does not supply the charges for any utilities, furniture, furnishings or personal property appliances furnished by him, or if the charges appear to be incorrect the commissioner may apply a percentage determined from samples of similar gross rents paid solely for the right of occupancy.

*Any amount paid by a claimant residing in property assessed pursuant to section 273.133 for occupancy in that property shall be excluded from gross rent for purposes of chapter 290A. However, property taxes imputed to the homestead of the claimant pursuant to section 273.133 shall be included within the term "property taxes payable" as defined in subdivision 13, notwithstanding the fact that ownership is not in the name of the claimant.*

Sec. 3. *This article is effective for taxes levied in 1976 and thereafter and payable in 1977 and thereafter.*

### ARTICLE XIII

Section 1. *Minnesota Statutes 1974, Sections 290.031, 290.921 and 290.922, are repealed.*

Sec. 2. *This article is effective July 1, 1977.*

### ARTICLE XIV

Section 1. Minnesota Statutes 1974, Section 273.42, is amended to read:

273.42 [RATE OF TAX; ENTRY AND CERTIFICATION; CREDIT ON PAYMENT.] The property set forth in section 273.37, subdivision 2, consisting of transmission lines, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average rate of taxes levied for all purposes throughout the county and shall be entered on the tax lists by the county auditor against the owner thereof and certified

to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited ; one half to the general revenue fund of the county ; and one half to the general school fund of the county . One-fourth of the amount credited to the county general revenue fund shall be apportioned and distributed among the various townships in the county on the basis of the number of electrical transmission structures used with high voltage transmission lines as defined in section 116C.52, subdivision 3 and taxed under this section, situated in each township and one-fourth shall be apportioned and credited against property taxes payable or to become payable upon real estate upon which such transmission structures are situated upon the basis of the number of transmission structures situated upon each parcel or tract. The credit provided by this section shall be applied after deduction of any other applicable credits, and shall in no event exceed the amount of the tax remaining payable. Any balance not apportioned and credited against real estate by reason of real estate being tax exempt or the credit exceeding taxes payable may be expended for other county purposes.

Sec. 2. There is appropriated to the state board of education from the general fund sufficient money to reimburse school districts for revenue lost by reason of the enactment of section 1. The amount of reimbursement shall be paid to each school district entitled thereto by the state board of education along with distributions of foundation aid upon certification by the respective county auditors as to the amount due to each district.

Sec. 3. Section 1 shall be effective with respect to taxes levied in 1976 and subsequent years and payable in 1977 and subsequent years.

## ARTICLE XV

Section 1. Minnesota Statutes 1974, Section 270.071, Subdivision 6, is amended to read:

Subd. 6. (a) "Air commerce" means the transportation by aircraft of persons or property for hire in interstate, intrastate, or international transportation on regularly scheduled flights or on intermittent or irregularly timed flights by airline companies operating under authorization from the United States Civil Aeronautics Board .

(b) "Air commerce" also includes but is not limited to an intermittent or irregularly timed flight, a flight arranged at the convenience of an airline and the person contracting for the transportation, or a charter flight.

(c) "Air commerce" does not include casual transportation for hire by aircraft commonly owned and used for private airflight purposes if the person furnishing the transportation does not hold himself out to be engaged regularly in transportation for hire.

Sec. 2. Minnesota Statutes 1974, Section 270.072, Subdivision 2, is amended to read:

Subd. 2. [ASSESSMENT OF FLIGHT PROPERTY.] The flight property of all air carriers operating in Minnesota under a certificate of *public convenience and necessity* or *under issued by authorization from the United States Civil Aeronautics Board* shall be assessed annually by the commissioner in the manner prescribed by sections 270.071 to 270.079. *Aircraft with a gross weight of less than 30,000 pounds and used on intermittent or irregularly timed flights shall be excluded from the provisions of section 270.071 to 270.079.*

Sec. 3. Minnesota Statutes 1974, Section 270.072, Subdivision 3, is amended to read:

Subd. 3. [REPORT BY AIRLINE COMPANY.] Every airline company engaged in air commerce in this state ~~at any time during the year 1945 or any year thereafter~~ shall file with the commissioner on or before the time fixed by the commissioner a report under oath setting forth specifically the information prescribed by the commissioner to enable him to make the assessment required in sections 270.071 to 270.079, *unless the commissioner determines that the airline company or person should be excluded from filing because its activities do not constitute air commerce as defined herein.*

Sec. 4. *This article is effective for all years beginning after December 31, 1976.*

## ARTICLE XVI

Section 1. Minnesota Statutes 1974, Section 297A.26, is amended by adding a subdivision to read:

*Subd. 3. The taxpayer may deduct from the taxes payable in any reporting period \$8 on each timely filed return for costs of administration. A permit holder shall be entitled to only one deduction in each reporting period regardless of the number of permits held by the permit holder.*

Sec. 2. [EFFECTIVE DATE.] *This article is effective for reporting periods beginning after July 1, 1976.*

## ARTICLE XVII

Section 1. Minnesota Statutes, 1975 Supplement, Section 147.30, is amended to read:

147.30 [LOANS TO MEDICAL AND OSTEOPATHY STUDENTS WHO AGREE TO PRACTICE IN RURAL COMMUNITIES.] The state of Minnesota may provide loans to students for the cost of the education and living expenses during the time the recipient is enrolled in an accredited medical school in the state of Minnesota, or accredited school of osteopathy the graduates of which are eligible for licensure in Minnesota, and to students domiciled in Minnesota and enrolled in an accredited medical school or school of osteopathy located outside the state, if the recipient agrees in writing to practice medicine or osteopathy in a rural community in Minnesota designated as an area in need of medical doctors or osteopaths by the higher education coordinating

~~commission~~ board . In selecting medical students priority shall be given to students enrolled in schools in Minnesota. Each recipient shall execute a note to the state payable on demand for the principal amount of the loan with interest at not more than eight percent per annum the rate applicable to any particular note to be determined by the ~~commission~~ board . Interest shall run on the principal balance from the date of the loan until the principal sum is paid said interest to be payable when the principal sum is paid; provided that the obligation to repay the principal and interest on any such loan shall be forgiven if the recipient has practiced medicine or osteopathy for a period of 18 months for each initial or renewal period of the loan, or five years, whichever is less, in an area in need of medical doctors or osteopaths as designated by the higher education coordinating ~~commission~~ board . If the recipient fails to fulfill the obligation to practice, the principal and interest on any such loan shall be payable according to the terms of the note executed by such recipient. Assistance may be granted in the amount that the ~~commission~~ board determines sufficient for the purpose specified in this section not to exceed \$5,000 per recipient per year. Loans shall be renewed on an annual basis contingent on the good standing of the recipient in the program. No individual recipient shall receive loans to exceed \$20,000 in aggregate principal amount. The ~~commission~~ board may delay the time for beginning practice not more than four years after the recipient has qualified to practice if the recipient wishes to seek additional medical or osteopathic training.

*An amount not to exceed \$5,000, plus interest accrued thereon shall be forgiven within a month immediately following the 18 month period of practice if the board finds the recipient eligible for the forgiveness. The entire balance due and owing under the loan shall be forgiven within one month immediately following five years of practice if the board finds such eligibility."*

Further, strike the title in its entirety and insert

"A bill for an act relating to taxation; providing for a credit against income tax for the cost of care for certain dependents; defining "claimant" for purposes of certain homestead credits; inheritance and gift taxes; taxes on or measured by net income and assessment of ad valorem taxes; providing for payments from the taconite municipal aid account to certain cities and towns; metropolitan revenue distribution; providing that the commissioner of revenue shall perform administrative functions; changing settlement dates and the method of computing the taxable valuation of certain governmental units; providing for a refund of certain amounts of taxes paid for the 1975 taxable year; providing for promulgation of quality standards and performance labeling of solar energy devices; exempting solar energy devices and advertising billboards from property taxation; providing a ten percent credit against income tax for the cost of pollution control equipment and solar energy devices; including cost of water filtration equipment in medical expense deduction; extending feedlot pollution control equipment credit; exempting solar energy devices from sales taxation; providing for state reimbursement of taxing districts for tax reduction granted to Title II and certain other property; changing the means of cal-

ulation and adjustment of levy limits in certain counties; providing for a credit against individual income tax for the mentally or physically disabled; providing for the assessment of dwelling units in certain buildings; eliminating the employer's excise tax; providing for a credit against taxes for persons on whose land high voltage transmission lines are located; providing for taxation of certain types of air commerce; prescribing certain powers and duties in regard to liquor for the commissioner of revenue; permitting a deduction from the sales tax by certain sales tax permit holders to defray the costs of collecting and remitting the tax; forgiving certain amounts of loans to certain medical students; prescribing a penalty; appropriating money; amending Minnesota Statutes 1974, Sections 270.071, Subdivision 6; 270.072, Subdivisions 2 and 3; 270.13; 273.13, Subdivision 17b; 273.133; 273.42; 276.05; 276.06; 290.06, Subdivisions 9 and 9a; 290.066, Subdivision 1; 290.09, Subdivision 10; 291.03; 291.05; 292.05, Subdivision 1; 292.07, Subdivisions 3 and 5; 297A.25, Subdivision 1; 297A.26, by adding a subdivision; 298.282, Subdivision 2, and by adding subdivisions; 340.44, as amended; 340.51; 340.55; 473F.02, Subdivisions 7, 11 and 12; 473F.06; 473F.08, Subdivisions 2, 3, 7 and 8; 473F.12, Subdivisions 2 and 4; and 473F.13, Subdivisions 1 and 2; and Chapters 273, by adding sections; and 290, by adding a section; Minnesota Statutes, 1975 Supplement, Sections 147.30; 270.16, Subdivision 2; 272.02, Subdivision 1; 273.012, Subdivision 3; 274.14; 275.51, Subdivision 3c; 276.04; 290.01, Subdivision 20; 290.012, Subdivision 4; 290.06, Subdivision 3c; 290.21, Subdivision 4; 290A.03, Subdivisions 8, 12 and 13; 290A.04, Subdivisions 2 and 3; 290A.06; 290A.07, Subdivisions 1 and 2; 290A.14; and Laws 1975, Chapter 349, Section 32; and Laws 1976, Chapter 5, Section 2, Subdivision 1; repealing Minnesota Statutes 1974, Sections 290.031; 290.09, Subdivision 26; 290.921; 290.922; 473F.02, Subdivision 6; 473F.03; 473F.07, Subdivision 2; 473F.08, Subdivision 9; and Minnesota Statutes, 1975 Supplement, Section 124.03."

The motion prevailed. So the amendment was adopted.

H. F. No. 2072 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 49 and nays 3, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Jensen	Moe	Schmitz
Bang	Doty	Josefson	Ogdahl	Schrom
Berg	Dunn	Keefe, J.	Olhoff	Solon
Bernhagen	Fitzsimons	Keefe, S.	Olson, A. G.	Spear
Blatz	Frederick	Kirchner	Olson, H. D.	Stassen
Borden	Gearty	Kleinbaum	Olson, J. L.	Stokowski
Brataas	Hansen, Baldy	Kowalczyk	Patton	Stumpf
Chenoweth	Hansen, Mel	McCutcheon	Perpich, A. J.	Ueland
Chmielewski	Hanson, R.	Merriam	Pillsbury	Willet
Coleman	Humphrey	Milton	Renneke	

Messrs. Davies, Knutson and Tennesen voted in the negative.  
So the bill, as amended, passed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Jensen moved that the name of Mr. McCutcheon be added as co-author to S. F. No. 1707. The motion prevailed.

#### SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Rules of the Senate be so far suspended as to make General Orders a Special Orders Calendar for immediate consideration. The motion prevailed.

#### SPECIAL ORDER

S. F. No. 1999: A bill for an act relating to elections; preparation of ballots; imposing duties on the county auditor; repealing special provisions for voting in presidential elections; amending Minnesota Statutes 1974, Section 208.04; repealing Minnesota Statutes 1974, Sections 208.21 to 208.35.

Mr. Keefe, S., moved to amend S. F. No. 1999 as follows:

Page 2, after line 26, insert new sections to read:

“Sec. 2. Minnesota Statutes 1975 Supplement, Section 203A.31, is amended by adding a subdivision to read:

*Subd. 5. [PREPARATION OF FEDERAL ELECTION BALLOT.] The federal election ballot required by Public Law 94-203 to be used by United States citizens residing outside the United States in voting for candidates for president and vice-president, senator in congress, and representative in congress shall be prepared under the direction of the county auditor in the same manner as provided for the state white ballot and in conformance with the provisions of sections 203A.22 to 203A.34.*

Sec. 3. Minnesota Statutes 1974, Chapter 207, is amended by adding a section to read:

*[207.025] [ELIGIBLE VOTERS RESIDING OUTSIDE THE UNITED STATES.] Any person eligible to vote in Minnesota under the provisions of Public Law 94-203 shall be permitted to register and vote for candidates for the offices of president and vice-president, senator in congress, and representative in congress in the same manner as provided in sections 207.03 to 207.151 for any person eligible to vote who is absent from his precinct on election day.”*

Renumber the sections in sequence

Amend the title as follows:

Line 5, after “elections;” insert “providing for eligible voters residing outside the United States to vote;”

Line 6, after "Section 208.04"; insert "and Chapter 207, by adding a section;"

The motion prevailed. So the amendment was adopted.

S. F. No. 1999 was then progressed.

#### SPECIAL ORDER

S. F. No. 2353: A bill for an act relating to crimes; criminal sexual conduct; amending Minnesota Statutes 1974, Sections 192A.605; 241.51, Subdivision 2; 246.43, Subdivision 1; 609.195; 609.293, Subdivision 5; 626A.05, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 609.11, Subdivision 1; 609.341, Subdivision 10; 609.345; 609.346, Subdivision 1; 624.712, Subdivision 5; 626.556, Subdivision 2; repealing Minnesota Statutes 1974, Section 609.293, Subdivisions 2, 3, and 4.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

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

And the roll being called, there were yeas 16 and nays 15, as follows:

Those who voted in the affirmative were:

Bang	Dunn	Kirchner	Pillsbury	Stumpf
Brataas	Jensen	Merriam	Renneke	Tennessee
Chenoweth	Josefson	Olson, J. L.	Spear	
Davies	Keefe, S.			

Those who voted in the negative were:

Berg	Conzemius	McCutcheon	Olson, H. D.	Schmitz
Bernhagen	Gearty	Moe	Patton	Schrom
Chmielewski	Hansen, Baldy	Olhoff	Perpich, A. J.	Willet

So the bill failed to pass.

#### SPECIAL ORDER

H. F. No. 2157: A bill for an act relating to public welfare; providing for administrative and judicial review of certain actions and decisions of local welfare agencies; repealing Minnesota Statutes 1974, Sections 256.77; 256B.10; 256B.11; and 256D.40.

Mr. Borden moved to amend H. F. No. 2157 as amended pursuant to Rule 49, adopted by the Senate March 17, 1976, as follows:

Strike the Rule 49 amendment

Page 6, after line 7, insert

"Sec. 3. Except as otherwise provided by this section, this act is effective the day after final enactment. Any proceeding initiated under Minnesota Statutes, Sections 256.77, 256B.10, 256B.11, 256D.12 or 256D.40, prior to the effective date of this act, shall be conducted and completed in accordance with those sections."

The motion prevailed. So the amendment was adopted.

H. F. No. 2157 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Josefson	Olhoft	Solon
Ashbach	Dunn	Keefe, J.	Olson, A. G.	Spear
Bang	Fitzsimons	Keefe, S.	Olson, H. D.	Stassen
Berg	Frederick	Kirchner	Olson, J. L.	Stokowski
Bernhagen	Gearty	Knutson	Patton	Stumpf
Borden	Hansen, Baldy	Kowalczyk	Perpich, A. J.	Tennessee
Brataas	Hansen, Mel	McCutcheon	Pillsbury	Ueland
Chenoweth	Hanson, R.	Merriam	Renneke	Willet
Chmielewski	Humphrey	Milton	Schmitz	
Davies	Jensen	Moe	Schrom	

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

#### SPECIAL ORDER

H. F. No. 2038: A bill for an act relating to medical assistance for the needy; directing the commissioner of public welfare to identify and investigate certain medical assistance abuses; requiring certain reports; amending Minnesota Statutes 1974, Section 256B.04, Subdivision 5, and by adding subdivisions.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Jensen	Moe	Schrom
Ashbach	Doty	Josefson	Olhoft	Solon
Bang	Dunn	Keefe, J.	Olson, A. G.	Spear
Berg	Fitzsimons	Keefe, S.	Olson, H. D.	Stassen
Bernhagen	Frederick	Kirchner	Olson, J. L.	Stokowski
Borden	Gearty	Knutson	Patton	Stumpf
Brataas	Hansen, Baldy	Kowalczyk	Perpich, A. J.	Tennessee
Chenoweth	Hansen, Mel	McCutcheon	Pillsbury	Ueland
Chmielewski	Hanson, R.	Merriam	Renneke	Willet
Coleman	Humphrey	Milton	Schmitz	

So the bill passed and its title was agreed to.

#### SPECIAL ORDER

H. F. No. 2039: A bill for an act relating to health care; clarifying and expanding the patients' bill of rights; requiring certain notices; providing penalties; amending Minnesota Statutes 1974, Sections 144.651 and 144.652.

Mr. Keefe, J. moved to amend H. F. No. 2039 as follows:

Page 3, line 7, strike "*patient or*"

Page 4, line 27, after "*discretion*" insert "; *provided, however, that*

*the activities shall not infringe upon the right to privacy of other residents"*

The motion prevailed. So the amendment was adopted.

H. F. No. 2039 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Jensen	Moe	Schrom
Ashbach	Doty	Josefson	Olhoff	Solon
Bang	Dunn	Keefe, J.	Olson, A. G.	Spear
Bernhagen	Fitzsimons	Keefe, S.	Olson, H. D.	Stassen
Borden	Frederick	Kirchner	Olson, J. L.	Stokowski
Brataas	Gearty	Knutson	Patton	Stumpf
Chenoweth	Hansen, Baldy	Kowalczyk	Perpich, A. J.	Tennessee
Chmielewski	Hansen, Mel	McCutcheon	Pillsbury	Ueland
Coleman	Hanson, R.	Merriam	Renneke	Willet
Conzemius	Humphrey	Milton	Schmitz	

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

#### MEMBERS EXCUSED

Pursuant to Rule 21, Mr. Borden moved that the following members be excused for a Conference Committee on H. F. No. 525:

Messrs. Laufenburger, Brown, Schaaf, North and Borden. The motion prevailed.

#### SPECIAL ORDER

H. F. No. 1326: A bill for an act relating to garnishment and execution; amending Minnesota Statutes 1974, Sections 550.04; 550.142; 550.37, Subdivisions 4, 13, 14, 18, 19, and by adding a subdivision; 571.41, Subdivisions 1 and 2, and by adding subdivisions; 571.55, Subdivisions 1 and 2; 571.61, Subdivision 1; 571.67; and Chapters 550, by adding a section; and 571, by adding sections; repealing Minnesota Statutes 1974, Sections 571.47; 571.48; and 571.49.

Mr. Tennessee moved to amend the amendment placed on H. F. No. 1326 by the Committee on Judiciary, adopted by the Senate March 16, 1976, as follows:

Sec. 2, line 10, strike "*or prior to a subsequent garnish-*"

Sec. 2, strike lines 11 and 12 and insert a period

Sec. 4, line 11, after "*Subd. 2.*" insert "*On any judgment,*"

Sec. 4, line 12, strike "*under this chapter, or prior to a subsequent levy on an indi-*"

Sec. 4, strike line 16

Line 17, strike "*no levy on the earnings for one year*"

Sec. 15, Subd. 5, line 4, strike "*or prior to a subsequent*"

Sec. 15, Subd. 5, strike line 5 and line 6, strike "*year*"

Sec. 17, line 37, strike "*or prior to a subsequent garnishment on a debt if*"

Line 38, strike "*there has been no garnishment on that debt for one year*"

Sec. 17, Subd. 2, 5th paragraph, line 3, strike "*or prior to a subse-*" and strike line 4

Line 5, strike "*debt for one year*"

Sec. 18, Subd. 3, clause (4), line 6, strike "*or prior to a*" and strike line 7

Line 8, strike "*on that debt for one year*"

Clause (6), line 5, strike "*or prior to a subsequent garnishment on a debt if there has*"

Line 6, strike "*been no garnishment on that debt for one year*"

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

Mr. Tennesen moved to amend the amendment placed on H. F. No. 1326 by the Committee on Judiciary, adopted by the Senate March 16, 1975, as follows:

Section 4, after Subdivision 2, insert:

*"Subd. 3. Garnishees shall not be liable for damages for complying with process duly issued out of any court for the collection of a debt even if the funds affected by said process are subsequently determined to have been exempt. This provision shall not apply to an employer who fails to give effect to the garnishment limitations contained in section 571.55."*

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

Mr. Conzemius moved that H. F. No. 1326 be laid on the table.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 32 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Hanson, R.	Moe	Sillers
Arnold	Chmielewski	Jensen	Olson, J. L.	Stassen
Ashbach	Conzemius	Keefe, J.	O'Neill	Ueland
Bang	Dunn	Kirchner	Perpich, A. J.	Willet
Berg	Fitzsimons	Knutson	Pillsbury	
Bernhagen	Frederick	Larson	Renneke	
Blatz	Hansen, Baldy	Milton	Schrom	

Those who voted in the negative were:

Chenoweth	Hansen, Mel	McCutcheon	Schmitz	Stumpf
Davies	Humphrey	Merriam	Solon	Tennessee
Doty	Josefson	Olhoft	Spear	
Gearty	Keefe, S.	Olson, A. G.	Stokowski	

The motion prevailed.

The question recurred on S. F. No. 1999.

Mr. Keefe, S., moved to amend S. F. No. 1999 as follows:

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes, 1975 Supplement, Section 203A.33, Subdivision 4, is amended to read:

“Subd. 4. [BALLOT, PARTY POSITION.] At the general election, and in the case of partisan offices only, the first name printed for each office, or group of names if more than one is to be voted for, for the same office, shall be that of the candidate of the political party which at the last preceding general election polled the ~~largest~~ *smallest* number of votes, the same to be determined by the average vote cast for that party’s candidates for partisan offices except representatives in congress. In like manner the second and succeeding lines shall be filled with the names of the candidates of the other political parties receiving the next ~~highest~~ *smallest* number of votes respectively. For the purposes of this subdivision, the average vote of the party shall be computed by determining the total number of votes counted in the state for all of the party’s candidates on the general election ballot except representatives in congress, and dividing that sum by the number of the party’s candidates, except representatives in congress, appearing on the general election ballot.”

Renumber the sections in sequence

Amend the title as follows:

Line 2, after “ballots” insert “changing rotation of names;”

Line 6, before “repealing” insert “Minnesota Statutes, 1975 Supplement, Sections 203A.31, by adding a subdivision; 203A.33, Subdivision 4;”

Mr. Frederick moved a substitute amendment to amend S. F. No. 1999 as follows:

Page 2, after line 26, insert:

“Sec. 2. Minnesota Statutes, 1975 Supplement, Section 203A.35, Subdivision 1, is amended to read:

203A.35 [GENERAL ELECTION BALLOT, ROTATION OF NAMES.] Subdivision 1. At the general election, ~~and in the case of nonpartisan offices only~~, the names of all candidates for the same office shall be rotated on the ballots in the manner provided for primary election ballots by section 203A.23, subdivision 5, and all the provisions of section 203A.23, subdivisions 5 and 6 are applicable to general election ballots, so far as practicable.”

Renumber the sections in sequence

Page 2, line 29, strike "and 208.35" and insert "208.35; and Minnesota Statutes, 1975 Supplement, Section 203A.33, Subdivision 4"

Amend the title as follows:

Line 2, after "ballots;" insert "rotation of names;"

Line 6, after the semicolon, insert "Minnesota Statutes, 1975 Supplement, Section 203A.35, Subdivision 1;"

Line 7, before the period, insert "; and Minnesota Statutes, 1975 Supplement, Section 203A.33, Subdivision 4"

The question being taken on the adoption of the Frederick substitute amendment,

And the roll being called, there were yeas 27 and nays 30, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Josefson	Olson, H. D.	Sillers
Berg	Fitzsimons	Kirchner	Olson, J. L.	Stassen
Bernhagen	Frederick	Knutson	O'Neill	Ueland
Blatz	Hansen, Mel	Kowalczyk	Patton	
Brataas	Hanson, R.	Larson	Pillsbury	
Brown	Jensen	Ogdahl	Renneke	

Those who voted in the negative were:

Anderson	Davies	Keefe, S.	Moe	Solon
Arnold	Doty	Kleinbaum	North	Spear
Borden	Gearty	Lewis	Olhoft	Stokowski
Chmielewski	Hansen, Baldy	McCutcheon	Olson, A. G.	Stumpf
Coleman	Hughes	Merriam	Perpich, A. J.	Tennessee
Conzemius	Humphrey	Milton	Schmitz	Willet

The motion did not prevail. So the substitute amendment was not adopted.

The question being taken on the adoption of the Keefe, S. amendment,

And the roll being called, there were yeas 34 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Solon
Arnold	Gearty	Lewis	Olson, A. G.	Spear
Borden	Hansen, Baldy	McCutcheon	Olson, H. D.	Stokowski
Chmielewski	Hughes	Merriam	Perpich, A. J.	Stumpf
Coleman	Humphrey	Milton	Pillsbury	Tennessee
Conzemius	Jensen	Moe	Renneke	Willet
Davies	Keefe, S.	North	Schmitz	

Those who voted in the negative were:

Ashbach	Brown	Hanson, R.	Larson	Sillers
Berg	Dunn	Josefson	Ogdahl	Stassen
Bernhagen	Fitzsimons	Kirchner	Olson, J. L.	Ueland
Blatz	Frederick	Knutson	O'Neill	
Brataas	Hansen, Mel	Kowalczyk	Patton	

The motion prevailed. So the Keefe, S. amendment was adopted.

S. F. No. 1999: A bill for an act relating to elections; preparation of ballots; changing rotation of names; imposing duties on the county auditor; repealing special provisions for voting in presidential elections; providing for eligible voters residing outside the United States to vote; amending Minnesota Statutes 1974, Section 208.04; and Chapter 207, by adding a section; Minnesota Statutes, 1975 Supplement, Sections 203A.31, by adding a subdivision; 203A.33, Subdivision 4; repealing Minnesota Statutes 1974, Sections 208.21 to 208.35.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 35 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Olhoft	Schrom
Arnold	Gearty	Lewis	Olson, A. G.	Solon
Borden	Hansen, Baldy	McCutcheon	Olson, H. D.	Spear
Chmielewski	Hughes	Merriam	Perpich, A. J.	Stokowski
Coleman	Humphrey	Milton	Pillsbury	Stumpf
Conzemius	Jensen	Moe	Renneke	Tennessee
Davies	Keefe, S.	North	Schmitz	Willet

Those who voted in the negative were:

Ashbach	Brown	Hanson, R.	Larson	Sillers
Berg	Dunn	Josefson	Ogdahl	Stassen
Bernhagen	Fitzsimons	Kirchner	Olson, J. L.	Ueland
Blatz	Frederick	Knutson	O'Neill	
Brataas	Hansen, Mel	Kowalczyk	Patton	

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

#### SPECIAL ORDER

H. F. No. 1993: A bill for an act relating to education; providing standards for the education of handicapped children; requiring a hearing and appeals process; limiting expenditures to meet federal requirements; amending Minnesota Statutes 1974, Section 120.17, Subdivisions 3 and 4, and by adding subdivisions; and Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Brown	Dunn	Hughes	Kleinbaum
Arnold	Chenoweth	Frederick	Humphrey	Knutson
Bang	Chmielewski	Gearty	Jensen	Kowalczyk
Bernhagen	Coleman	Hansen, Baldy	Josefson	Larson
Blatz	Davies	Hansen, Mel	Keefe, S.	Laufenburger
Brataas	Doty	Hanson, R.	Kirchner	Lewis

Merriam	Olson, A. G.	Perpich, A. J.	Sillers	Stumpf
Moe	Olson, H. D.	Pillsbury	Solon	Tennesen
North	Olson, J. L.	Renneke	Spear	Ueland
Ogdahl	O'Neill	Schmitz	Stassen	Willet
Olhoft	Patton	Schrom	Stokowski	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

H. F. No. 429: A bill for an act relating to labor; increasing the minimum wage; amending Minnesota Statutes 1974, Section 177.24.

Mr. Milton moved to amend H. F. No. 429 as follows:

Page 1, line 10, after "employees" insert "*who is 18 years of age or older*"

Page 1, line 12, before the period insert "*and shall pay to each of his employees who is under the age of 18 wages at a rate of not less than \$1.89 an hour*"

Page 1, after line 12, insert

"Sec. 2. Minnesota Statutes 1974, Section 177.28, Subdivision 3, is amended to read:

"Subd. 3. The commissioner shall establish regulations which define and govern sections 177.21 to 177.35 with respect to, salesmen who conduct no more than 20 percent of their sales on the premises of the employer; allowances as part of the wage rates for board, lodging and other facilities or services furnished by the employer and used by the employees. Regulations issued by the department pursuant to this section shall include, but are not limited to, bonuses; ~~special rates for employees under the age of 18, which rate shall not be more than 90 percent of the minimum wage established in section 177.24;~~ part-time rates; special pay for special or extra work; procedures in contested cases; other facilities or services furnished by employers and used by employees; and other special items usual in a particular employer-employee relationship. Regulations required by this subdivision shall be established by November 1, 1973."

Renumber the remaining section

Amend the title as follows:

Line 3, strike "Section 177.24" and insert "Sections 177.24; and 177.28, Subdivision 3"

The motion prevailed. So the amendment was adopted.

H. F. No. 429 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Bang	Blatz	Brown	Coleman
Arnold	Berg	Borden	Chenoweth	Conzemius
Ashbach	Bernhagen	Brataas	Chmielewski	Davies

Doty	Hughes	Kowalczyk	Olson, A. G.	Solon
Dunn	Humphrey	Larson	Olson, H. D.	Spear
Fitzsimons	Josefson	Laufenburger	Olson, J. L.	Stassen
Frederick	Keefe, J.	Merriam	O'Neill	Stokowski
Gearty	Keefe, S.	Milton	Patton	Stumpf
Hansen, Baldy	Kirchner	North	Perpich, A. J.	Tennessee
Hansen, Mel	Kleinbaum	Ogdahl	Schmitz	Ueland
Hanson, R.	Knutson	Olhoft	Sillers	Willet

Mr. Pillsbury voted in the negative.

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

### SPECIAL ORDER

H. F. No. 1870: A bill for an act relating to public employees; administrative expenses of salary deductions for annuity contracts; appropriating funds; repealing Laws 1975, Chapter 433, Section 12.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Jensen	Merriam	Schmitz
Arnold	Davies	Josefson	Milton	Schrom
Ashbach	Doty	Keefe, J.	Moe	Sillers
Bang	Dunn	Keefe, S.	North	Solon
Berg	Fitzsimons	Kirchner	Olhoft	Spear
Bernhagen	Frederick	Kleinbaum	Olson, H. D.	Stassen
Borden	Gearty	Knutson	Olson, J. L.	Stokowski
Brataas	Hansen, Baldy	Kowalczyk	O'Neill	Stumpf
Brown	Hansen, Mel	Larson	Patton	Tennessee
Chenoweth	Hanson, R.	Laufenburger	Perpich, A. J.	Ueland
Chmielewski	Hughes	Lewis	Pillsbury	Willet
Coleman	Humphrey	McCutcheon	Renneke	

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 9:00 o'clock a.m., Tuesday, March 23, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINETY-SIXTH DAY

St. Paul, Minnesota, Tuesday, March 23, 1976

The Senate met at 9:00 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Anderson	Davies	Humphrey	Olhoft	Sillers
Arnold	Doty	Josefson	Olson, A. G.	Solon
Ashbach	Dunn	Keefe, S.	Olson, J. L.	Spear
Bang	Fitzsimons	Kleinbaum	O'Neill	Stokowski
Berg	Frederick	Larson	Patton	Stumpf
Bernhagen	Gearty	Laufenburger	Perpich, A. J.	Tennessee
Borden	Hansen, Baldy	Lewis	Pillsbury	Ueland
Brataas	Hansen, Mel	Merriam	Schaaf	Willet
Chmielewski	Hanson, R.	Milton	Schmitz	
Coleman	Hughes	North	Schrom	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Mervin Dick.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, S.	Ogdahl	Sillers
Arnold	Doty	Kirchner	Olhoft	Solon
Ashbach	Dunn	Kleinbaum	Olson, A. G.	Spear
Bang	Fitzsimons	Knutson	Olson, H. D.	Stassen
Berg	Frederick	Kowalczyk	Olson, J. L.	Stokowski
Bernhagen	Gearty	Larson	O'Neill	Stumpf
Blatz	Hansen, Baldy	Laufenburger	Patton	Tennessee
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Ueland
Brataas	Hanson, R.	McCutcheon	Pillsbury	Wegener
Brown	Hughes	Merriam	Purfeerst	Willet
Chenoweth	Humphrey	Milton	Renneke	
Chmielewski	Jensen	Moe	Schaaf	
Coleman	Josefson	Nelson	Schmitz	
Conzemius	Keefe, J.	North	Schrom	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**MEMBERS EXCUSED**

Messrs. Nelson and Perpich, G. were excused from the Session of today. Mr. Lewis was excused from the Session of today from 2:30 o'clock p.m. until 7:30 o'clock p.m.

Pursuant to Rule 21, Mr. Kirchner moved that the following members be excused for a Conference Committee on S. F. No. 1383:

Messrs. Chenoweth, Kirchner and North. The motion prevailed.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

March 22, 1976

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 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 1976	Date Filed 1976
	59	47	March 19	March 19
	1904	48	March 19	March 19
	1999	49	March 19	March 19
	2011	50	March 19	March 19
	2105	51	March 19	March 19
53		52	March 19	March 19
995		53	March 19	March 19
1252		54	March 19	March 19
1493		55	March 19	March 19
1590		56	March 19	March 19
1794		57	March 19	March 19
1852		58	March 19	March 19
1901		59	March 19	March 19
1924		60	March 19	March 19
1975		61	March 19	March 19
2070		62	March 19	March 19
2076		63	March 19	March 19
2168		64	March 19	March 19
2237		65	March 19	March 19
1135		66	March 19	March 19

Sincerely,

Joan Anderson Growe, Secretary of State

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bill was read the first time and referred to the committee indicated.

Messrs. Olson, A. G. and Borden introduced—

S. F. No. 2585: A bill for an act relating to taxation; providing standards and procedures for tax increment financing; authorizing tax increment financing for the payment of principal and interest on such bonds; providing limitation on extent of districts to which tax increment financing applies; amending Minnesota Statutes 1974, Chapter 273, by adding sections; and Section 462.585, Subdivision 1; repealing Minnesota Statutes 1974, Sections 458.192, Subdivision 11; 462.545, Subdivision 5; 462.585, Subdivisions 2 and 3; 472A.07; 472A.08; and 474.10, Subdivisions 2 and 3.

Referred to the Committee on Taxes and Tax Laws.

**MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1792, 1874, 1920, 1973 and 2318.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1976

Mr. President:

I have the honor to announce that the House wishes to recall for the purpose of further consideration House File No. 1057:

H. F. No. 1057: A bill for an act relating to education; school districts; Independent School District No. 518; powers and duties; requiring a public hearing and providing for an election before closing a schoolhouse; amending Minnesota Statutes 1974, Section 123.36, by adding a subdivision.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1976

Mr. Anderson moved that H. F. No. 1057 be taken from the table. The motion prevailed.

Mr. Anderson moved that the Senate accede to the request of the House for the recall of H. F. No. 1057 for the purpose of further consideration. The motion prevailed.

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee,

consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 840: A bill for an act relating to the department of human rights; creating a private right of action to enforce the provisions of the human rights act in certain cases; amending Minnesota Statutes 1974, Section 363.06, Subdivision 1; and Chapter 363, by adding a section.

There has been appointed as such committee on the part of the House:

Casserly, McCarron and Stanton.

Senate File No. 840 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 22, 1976

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2677:

H. F. No. 2677: A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings; appropriating money.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Norton, Smith, Haugerud, Samuelson and Searle have been appointed as such committee on the part of the House.

House File No. 2677 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 22, 1976

Mr. Arnold moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2677, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2678:

H. F. No. 2678: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature; authorizing issuance of state building bonds; appropriating money; amending Minnesota Statutes 1974, Sections 16.16, Subdivision 2;

16A.28; 137.02, Subdivision 3; repealing Laws 1973, Chapter 778, Section 20.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Norton, Smith, Haugerud, Samuelson and Searle have been appointed as such committee on the part of the House.

House File No. 2678 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 22, 1976

Mr. Arnold moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2678, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2159:

H. F. No. 2159: A bill for an act relating to the city of Minneapolis; municipal employees survivor benefits; amending Minnesota Statutes 1974, Section 422A.23, Subdivisions 2 and 3; repealing Minnesota Statutes 1974, Section 422A.23, Subdivision 4.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Knoll, Skoglund and Dean have been appointed as such committee on the part of the House.

House File No. 2159 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 22, 1976

Mr. Stokowski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2159, and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S. F. No. 1976:** A bill for an act relating to workmen's compensation; providing for third party liability; amending Minnesota Statutes 1974, Section 176.061, Subdivision 3; repealing Minnesota Statutes 1974, Section 176.061, Subdivision 10.

Senate File No. 1976 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 22, 1976

Mr. Davies moved that S. F. No. 1976 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S. F. No. 1296:** A bill for an act relating to insurance; making more certain which group insurance policies and subscriber contracts are required to provide insurance coverage to employees after termination of employment; extending the period for certain notices to terminated employees; requiring certain group insurance policies to provide for optional conversion to an individual policy after group coverage terminates; amending Minnesota Statutes 1974, Sections 62A.16; and 62A.17, Subdivisions 2 and 5, and by adding a subdivision.

Senate File No. 1296 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 22, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Hansen, Baldy moved that the Senate concur in the amendments by the House to S. F. No. 1296 and that the bill be placed on its repassage as amended. The motion prevailed.

**S. F. No. 1296:** A bill for an act relating to insurance; making more certain which group insurance policies and subscriber contracts are required to provide insurance coverage to employees after termination of employment; extending the period for certain notices to terminated employees; requiring certain group insurance policies to provide for optional conversion to an individual policy after group coverage terminates; amending Minnesota Statutes 1974, Sections 62A.16; and 62A.17, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 62A.17, Subdivision 5.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Josefson	Milton	Schmitz
Ashbach	Doty	Keefe, J.	Olhoff	Schrom
Bang	Dunn	Keefe, S.	Olson, A. G.	Sillers
Berg	Fitzsimons	Kleinbaum	Olson, H. D.	Spear
Bernhagen	Gearty	Knutson	Olson, J. L.	Stokowski
Borden	Hansen, Baldy	Kowalczyk	O'Neill	Stumpf
Brataas	Hansen, Mel	Larson	Patton	Tennessee
Brown	Hanson, R.	Laufenburger	Perpich, A. J.	Ueland
Chmielewski	Hughes	Lewis	Pillsbury	Wegener
Coleman	Humphrey	McCutcheon	Renneke	Willet
Conzemius	Jensen	Merriam	Schaaf	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1740: A bill for an act relating to counties; authorizing county boards to establish personnel departments; providing for county personnel administration on an integrated, merit basis.

Senate File No. 1740 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1976

Mr. Olhoff moved that S. F. No. 1740 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 454: A bill for an act relating to intoxicating liquor; licensing of bottle clubs; amending Minnesota Statutes 1974, Section 340.119, Subdivision 3.

Senate File No. 454 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Keefe, J. moved that the Senate concur in the amendments by the House to S. F. No. 454 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 454 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, J.	Olhoff	Sillers
Ashbach	Dunn	Keefe, S.	Olson, H. D.	Solon
Bang	Fitzsimons	Kleinbaum	Olson, J. L.	Spear
Berg	Frederick	Knutson	O'Neill	Stassen
Bernhagen	Gearty	Kowalczyk	Patton	Stokowski
Blatz	Hansen, Baldy	Larson	Perpich, A. J.	Stumpf
Brataas	Hansen, Mel	Laufenburger	Pillsbury	Tennessee
Brown	Hanson, R.	Lewis	Purfeerst	Ueland
Chmielewski	Hughes	McCutcheon	Renneke	Wegener
Coleman	Humphrey	Merriam	Schaaf	Willet
Conzemius	Jensen	Milton	Schmitz	
Davies	Josefson	Moe	Schrom	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1039: A bill for an act relating to plats and surveys in Olmsted county; providing for approval by the county surveyor and providing for a fee.

Senate File No. 1039 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1976

#### CONCURRENCE AND REPASSAGE

Mrs. Brataas moved that the Senate concur in the amendments by the House to S. F. No. 1039 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1039: A bill for an act relating to certain counties; providing for the approval of plats and surveys by the county surveyor; providing for a fee; amending Minnesota Statutes 1974, Chapter 389, by adding a section.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Olhoff	Schrom
Ashbach	Dunn	Kleinbaum	Olson, A. G.	Sillers
Bang	Fitzsimons	Knutson	Olson, H. D.	Solon
Berg	Frederick	Kowalczyk	Olson, J. L.	Spear
Bernhagen	Gearty	Larson	O'Neill	Stassen
Blatz	Hansen, Baldy	Laufenburger	Patton	Stokowski
Brataas	Hansen, Mel	Lewis	Perpich, A. J.	Stumpf
Brown	Hanson, R.	McCutcheon	Pillsbury	Tennessee
Chenoweth	Hughes	Merriam	Purfeerst	Ueland
Chmielewski	Humphrey	Milton	Renneke	Wegener
Conzemius	Jensen	Moe	Schaaf	Willet
Davies	Josefson	Ogdahl	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 2033: A bill for an act relating to municipalities; temporary investment of surplus funds; amending Minnesota Statutes, 1975 Supplement, Section 471.561.

Senate File No. 2033 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1976

Mr. Keefe, S. moved that S. F. No. 2033 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1051: A bill for an act relating to attorneys; providing for investigation of accusations against attorneys; amending Minnesota Statutes 1974, Section 481.15, by adding a subdivision.

Senate File No. 1051 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1976

Mr. Coleman moved that the Senate do not concur in the amendments by the House to S. F. No. 1051 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1876, 1901, 2215, 1985, 2169, 2218, 1984 and 2414.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 22, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1957: A bill for an act relating to medical assistance for the needy; prohibiting false claims for reimbursement; making certain vendors ineligible for reimbursement; providing access to certain medical records for verification of claims; providing for a penalty; amending Minnesota Statutes 1974, Sections 256B.064; 256B.27; Chapters 256B and 609, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 256B.12 and 609.52, Subdivision 2.

Senate File No. 1957 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1976

### CONCURRENCE AND REPASSAGE

Mr. Tennesen moved that the Senate concur in the amendments by the House to S. F. No. 1957 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1957 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Josefson	Olson, A. G.	Sillers
Ashbach	Doty	Keefe, S.	Olson, H. D.	Solon
Bang	Dunn	Kowalczyk	Olson, J. L.	Spear
Berg	Fitzsimons	Larson	O'Neill	Stassen
Bernhagen	Frederick	Laufenburger	Patton	Stokowski
Blatz	Gearty	Lewis	Perpich, A. J.	Stumpf
Borden	Hansen, Baldy	McCutcheon	Pillsbury	Tennesen
Brataas	Hansen, Mel	Merriam	Purfeerst	Ueland
Brown	Hanson, R.	Milton	Renneke	Wegener
Chmielewski	Hughes	Moe	Schaaf	Willet
Coleman	Humphrey	Ogdahl	Schmitz	
Conzemius	Jensen	Olhoff	Schrom	

So the bill, as amended, was repassed and its title was agreed to.

**FIRST READING OF HOUSE BILLS**

The following bills were read the first time and referred to the committees indicated.

**H. F. No. 1876:** A bill for an act relating to transportation; providing for rail transportation improvements throughout the state; creating the Minnesota rail line improvement account; authorizing the development of a state plan for rail transportation and a feasibility study of rail line acquisition by the state or by a political subdivision of the state; appropriating money.

Referred to the Committee on Rules and Administration.

**H. F. No. 1901:** A bill for an act relating to education; authorizing the establishment of a pilot higher education extension center to serve downtown St. Paul and its surrounding area; appropriating money.

Referred to the Committee on Finance.

**H. F. No. 2215:** A bill for an act relating to aeronautics; appropriating and transferring money for construction of hangers.

Referred to the Committee on Rules and Administration.

**H. F. No. 1985:** A bill for an act relating to appropriations; appropriating funds for seminars for local governmental officials.

Referred to the Committee on Finance.

**H. F. No. 2169:** A bill for an act relating to torts; defining the state's liability for torts; appropriating money.

Referred to the Committee on Judiciary.

**H. F. No. 2218:** A bill for an act relating to the department of public welfare; providing for funding for detoxification programs; amending Minnesota Statutes 1974, Section 254A.08, Subdivision 3.

Referred to the Committee on Rules and Administration.

**H. F. No. 2414:** A bill for an act relating to motor vehicles; motor vehicle excise tax on vehicles purchased for resale; use of motor vehicles bearing motor vehicle dealer plates; amending Minnesota Statutes 1974, Sections 168.27, Subdivision 5; 297B.01, Subdivision 6; and Chapter 297B, by adding a section.

Referred to the Committee on Rules and Administration.

**H. F. No. 1984:** A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money; amending Minnesota Statutes 1974, Sections 48.24, Subdivision 5; and 290.08, by adding a subdivision; Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20; and 290.09, Subdivision 4.

Referred to the Committee on Rules and Administration.

**REPORTS OF COMMITTEES**

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 2154 for comparison to companion Senate Files, reports the following House File was found not identical with its companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CALENDAR OF ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2154	2099				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2154 be amended as follows:

Page 1, delete lines 22 and 23

Page 2, delete lines 1 and 2

Renumber the remaining section

And when so amended, H. F. No. 2154 will be identical to S. F. No. 2099 and further recommends that H. F. No. 2154 be given its second reading and substituted for S. F. No. 2099 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2201 and 2203 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

<b>GENERAL ORDERS</b>		<b>CALENDAR OF ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2201	2117				
2203	2225				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2201 be amended as follows:

Page 4, delete lines 6 to 9

Page 4, line 12, delete "*which shall be*" and insert a period

Page 4, delete line 13

Further, amend the title as follows:

Page 1, delete lines 2 to 7 and insert "relating to elections; establishing procedures for changing precinct boundaries; requiring filing of precinct maps with the state demographer; im-

posing certain duties on the state demographer regarding coordination of census data with changes in precinct boundaries.”

Page 1, line 8, delete “returns;”

And when so amended, H. F. No. 2201 will be identical to S. F. No. 2117 and further recommends that H. F. No. 2201 be given its second reading and substituted for S. F. No. 2117 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2203 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [256B.41] [POLICY; INTENT.] Subdivision 1. The state agency shall by rule establish a formula for the reimbursement of nursing homes which qualify as vendors of medical assistance.

Subd. 2. It is the intent of the legislature to establish certain limitations on the state agency in setting standards for the reimbursement of nursing homes for the care of recipients of medical assistance pursuant to Minnesota Statutes, Chapter 256B. It is not the intent of the legislature to repeal or change any existing or future rule promulgated by the state agency relating to the reimbursement of nursing homes unless the rule is clearly in conflict with sections 1 to 6 of this act. If any provision of sections 1 to 6 of this act is determined by the United States government to be in conflict with existing or future requirements of the United States government with respect to medical assistance, the federal requirements shall prevail.

Sec. 2. [256B.42] [INTEREST EXPENSE.] Subdivision 1. Except as provided in subdivision 2, the state agency shall not reimburse any nursing home, other than a nursing home owned by a federal, state or local unit of government, for any interest expense. The state agency may by rule provide for the reimbursement of governmentally owned nursing homes for the costs of interest on capital indebtedness.

Subd. 2. A nursing home which pays interest on capital indebtedness at a rate in excess of nine percent may be reimbursed for one half of its interest expenses in excess of the nine percent if (1) the proceeds of the indebtedness are used for the purchase or operation of the nursing home and (2) the loan was obtained in an arms length transaction. The annual interest paid pursuant to this subdivision shall not exceed 1.5 percent of the indebtedness.

Sec. 3. [256B.43] [DEPRECIATION.] Subdivision 1. The state agency shall by rule establish a depreciation allowance for nursing homes purchased on or after January 1, 1977. The depreciation allowance shall be based on the lesser of the purchase price or the appraised value of the facility at the time of the purchase. After the purchase of a nursing home, the purchaser of the nursing home or the state agency may request an appraisal

of the facility pursuant to the provisions of subdivision 3. The value of the facility determined pursuant to this subdivision shall be the original value and shall be the basis for depreciation.

Subd. 2. If any nursing home expands its facility or makes any other capital expenditures subsequent to January 1, 1977, the cost of the expansion or capital expenditure shall be added to the original value, and the total shall become the new original value and basis for depreciation. If the state agency disputes the cost attributed to the expansion or capital expenditure, it may request an appraisal pursuant to subdivision 3.

Subd. 3. The state agency shall obtain a list of not more than 25 appraisers who have experience in appraising nursing homes. In the event that an appraisal is requested pursuant to this section, or section 4, subdivision 2, the state agency and the owner of the nursing home shall select an appraiser from the list in accordance with procedures established by the state agency by rule. The appraisal shall be based on the replacement cost of the facility. The cost of the appraisal shall be paid by the party requesting it. The cost of an appraisal requested by a nursing home shall not be reimbursed by the state agency.

Subd. 4. For the purposes of sections 3 and 4, "facility" means the building in which a nursing home is located and all permanent fixtures attached to it. "Facility" does not include the land or any supplies and equipment which are not fixtures. "Original value" means the value of the facility established pursuant to subdivision 1.

Sec. 4. [256B.44] [INVESTMENT ALLOWANCE.] Subdivision 1. The state agency shall by rule establish an investment allowance for all nursing homes other than governmentally owned homes. The allowances for proprietary homes shall be eight percent of the original value of the facility for depreciation purposes established pursuant to section 3. The allowance for nonproprietary homes shall be eight percent of the value of the facility. The percentages established by this subdivision shall apply from July 1, 1977, through June 30, 1978. The state agency shall, no later than May 1 of each year, conduct a public hearing pursuant to the rule making provisions of chapter 15 to determine the percentages to be used in the following calendar year.

Subd. 2. The owner of a nursing home or the state agency may request a new appraisal of the facility not more often than every seven years. If a new appraisal is made, the new appraised value less depreciation, accumulated on the basis of the original value and on any value established pursuant to this subdivision, shall become the new basis for that nursing home's investment allowance. The appraiser shall be selected and the appraisal undertaken in accordance with the provisions of section 3, subdivision 3. The basis for reimbursement for depreciation shall continue to be the original value of the facility established pursuant to section 3.

Subd. 3. The seven year period used for the purposes of subdivision 2 shall commence with the date of purchase. The state

agency or the owner of any nursing home purchased before January 1, 1977, may request an appraisal on July 1, 1977 or seven years after the date of purchase, whichever occurs last in time.

Subd. 4. If a non-governmentally owned nursing home is operated on a lease basis, the state agency shall not reimburse the operator for any rental fee in excess of the total amount it would pay to the owner of the facility as an investment allowance and depreciation allowance pursuant to sections 3 and 4. If a governmentally owned nursing home is operated on a lease basis, the state agency shall not reimburse the operator for any rental fee in excess of the total amount it would pay as interest expense pursuant to section 2.

Sec. 5. [256B.45] [RATE LIMITS.] Subdivision 1. The state agency shall by rule establish separate limitations on the costs for items which directly relate to the provision of patient care to residents of nursing homes and those which do not directly relate to the provision of care. The limits on patient care related items shall be hourly limits based on the needs of the residents of the nursing home up to maximum limits established by the state agency.

Subd. 2. No reimbursement shall be allowed for (1) political contributions, (2) salaries or expenses of a lobbyist, as defined in section 10A.01, subdivision 11, for lobbying activities, (3) advertising designed to encourage potential residents to select a particular nursing home, (4) assessments levied by the health department for uncorrected violations, (5) legal fees for unsuccessful challenges to decisions by state agencies, and (6) that part of the dues paid to a nursing home or hospital association which is used for any of the purposes listed in items (1) through (5). The state agency shall by rule exclude the costs of any other items which it determines are not directly related to the provision of patient care.

Sec. 6. [256B.46] [CONDITIONS FOR PARTICIPATION.] Subdivision 1. No nursing home shall be eligible to receive medical assistance payments unless it agrees in writing that it will refrain from:

(a) Charging nonmedical assistance residents rates for similar services which exceed by more than ten percent those rates which are approved by the state agency for medical assistance recipients; effective July 1, 1978, no nursing home shall be eligible for medical assistance if it charges nonmedical assistance recipients rates for similar services which exceed those which are approved by the state agency for medical assistance recipients; provided, however, that the nursing home may (1) charge nonmedical assistance residents a higher rate for a private room and (2) may charge for special services which are not included in the daily rate if medical assistance patients are charged separately for the same services in addition to the daily rate paid by the state agency;

(b) Requiring an applicant for admission to the home, or the guardian or conservator of the applicant, as a condition of admission, to pay an admission fee 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; and

(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.

The prohibitions set forth in clause (b) shall not apply to a nonproprietary retirement home which contains an identifiable unit of fewer than 20 percent of the total number of facility beds to provide nursing care to the residents of the home.

Subd. 2. No nursing home shall be eligible to receive medical assistance payments unless it agrees in writing to:

(a) Provide the state agency with its most recent (1) balance sheet and statement of revenues and expenses as audited by the state auditor's office, a certified public accountant licensed by this state or by a public accountant as defined in section 412.222, and (2) statement of ownership for the nursing home, together with a separate balance sheet, statement of revenues and expenses, and ownership for each nursing home if more than one nursing home or other business operation is owned by the same owner;

(b) Provide the state agency with copies of leases, purchase agreements and other related documents related to the lease or purchase of the nursing home; and

(c) Provide to the state agency upon request copies of leases, purchase agreements, or similar documents for the purchase or acquisition of equipment, goods and services for which reimbursement is requested from the state agency.

Subd. 3. The state agency may reject any annual cost report filed by a nursing home pursuant to Minnesota Statutes, Chapter 256B, if it determines that the report or the information required in subdivision 2, clause (a) has been filed in a form that is incomplete or inaccurate. In the event that a report is rejected pursuant to this subdivision, the state agency may reimburse a nursing home at the rate determined for its prior fiscal year, or at an interim rate established by the state agency, until a complete and accurate report is filed.

Sec. 7. [EFFECTIVE DATE.] Except for section 6, the provisions of this act shall be effective for all cost reports for fiscal years beginning after July 1, 1977. The provisions of section 6 shall be effective January 1, 1977."

And when so amended, H. F. No. 2203 will be identical to S. F. No. 2225 and further recommends that H. F. No. 2203 be given its second reading and substituted for S. F. No. 2225 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 2154, 2201 and 2203 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Davies moved that S. F. No. 1976 be taken from the table. The motion prevailed.

**CONCURRENCE AND REPASSAGE**

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 1976 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1976: A bill for an act relating to workmen's compensation; providing for determination of liability and the amount of employer reimbursement in cases of third party liability; amending Minnesota Statutes 1974, Section 176.061, Subdivisions 3 and 6; repealing Minnesota Statutes 1974, Section 176.061, Subdivision 10.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Humphrey	Ogdahl	Solon
Ashbach	Davies	Josefson	Olson, H. D.	Spear
Bang	Doty	Keefe, S.	Olson, J. L.	Stassen
Berg	Dunn	Kleinbaum	O'Neill	Stokowski
Bernhagen	Fitzsimons	Knutson	Patton	Stumpf
Blatz	Frederick	Kowalczyk	Perpich, A. J.	Tennessee
Borden	Garty	Lewis	Pillsbury	Ueland
Brataas	Hansen, Baldy	McCutcheon	Renneke	Wegener
Brown	Hansen, Mel	Merriam	Schmitz	Willet
Chmielewski	Hanson, R.	Milton	Schrom	
Coleman	Hughes	Moe	Sillers	

So the bill, as amended, was repassed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Keefe, S. moved that S. F. No. 2033 be taken from the table. The motion prevailed.

**CONCURRENCE AND REPASSAGE**

Mr. Keefe, S. moved that the Senate concur in the amendments by the House to S. F. No. 2033 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 2033: A bill for an act relating to municipalities; clarifying the application of certain laws to certain municipalities; authorizing certain investments; bidding for certain government insurance contracts; amending Minnesota Statutes 1974, Section 471.616, Subdivision 1 and Minnesota Statutes, 1975 Supplement, Section 471.561.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,  
And the roll being called, there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Jensen	Olhoft	Sillers
Ashbach	Davies	Keefe, J.	Olson, A. G.	Solon
Bang	Doty	Keefe, S.	Olson, H. D.	Spear
Berg	Dunn	Kleinbaum	Olson, J. L.	Stassen
Bernhagen	Frederick	Knutson	O'Neill	Stokowski
Blatz	Gearty	Laufenburger	Patton	Stumpf
Borden	Hansen, Baldy	Lewis	Perpich, A. J.	Tennessee
Brataas	Hansen, Mel	McCutcheon	Pillsbury	Ueland
Brown	Hanson, R.	Merriam	Renneke	Wegener
Chmielewski	Hughes	Milton	Schmitz	Willet
Coleman	Humphrey	Ogdahl	Schrom	

So the bill, as amended, was repassed and its title was agreed to.

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 2364, No. 112 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 2364: A bill for an act relating to the administration of criminal justice; transferring primary investigatory jurisdiction in correctional institutions to the bureau of criminal apprehension; providing that the attorney general shall prosecute certain criminal offenses arising on the premises of adult correctional institutions; amending Minnesota Statutes 1974, Sections 8.01; 299C.03; 387.03; and 388.05.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Josefson	Olhoft	Sillers
Ashbach	Davies	Keefe, J.	Olson, A. G.	Spear
Bang	Doty	Keefe, S.	Olson, J. L.	Stassen
Berg	Frederick	Knutson	O'Neill	Stokowski
Bernhagen	Gearty	Laufenburger	Patton	Stumpf
Blatz	Hansen, Baldy	Lewis	Perpich, A. J.	Ueland
Borden	Hansen, Mel	McCutcheon	Pillsbury	Wegener
Brataas	Hanson, R.	Merriam	Purfeerst	Willet
Brown	Hughes	Milton	Renneke	
Chmielewski	Humphrey	Moe	Schmitz	
Coleman	Jensen	Ogdahl	Schrom	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 788, No. 121 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 788: A bill for an act relating to public welfare; appropriating money; amending Minnesota Statutes 1974, Section 256D.37, Subdivision 2.

Mr. Milton moved to amend S. F. No. 788 as follows:

Page 2, line 1, after "section" insert "for the blind"

Page 2, strike line 16 and insert "purpose of making cost of living adjustments in supplemental aid benefits."

Further, amend the title as follows:

Page 1, line 2, after the first semicolon insert "changing eligibility requirements for supplemental aid; providing for cost of living adjustments in supplemental aid benefits;"

The motion prevailed. So the amendment was adopted.

S. F. No. 788: A bill for an act relating to public welfare; changing eligibility requirements for supplemental aid; providing for cost of living adjustments in supplemental aid benefits; appropriating money; amending Minnesota Statutes 1974, Section 256D.37, Subdivision 2.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Jensen	Milton	Schmitz
Ashbach	Doty	Josefson	Moe	Sillers
Bang	Dunn	Keefe, J.	Ogdahl	Solon
Berg	Fitzsimons	Keefe, S.	Olhoft	Spear
Bernhagen	Frederick	Kleinbaum	Olson, A. G.	Stassen
Borden	Gerty	Knutson	Olson, H. D.	Stokowski
Brataas	Hansen, Baldy	Kowalczyk	Olson, J. L.	Tennessee
Brown	Hansen, Mel	Larson	Patton	Ueland
Chmielewski	Hanson, R.	Laufenburger	Perpich, A. J.	Wegener
Coleman	Hughes	McCutcheon	Pillsbury	Willet
Conzemius	Humphrey	Merriam	Renneke	

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

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 2375, No. 123 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 2375: A bill for an act relating to education; right to read program; appropriating money.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 51 and nays 2, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kleinbaum	Olson, J. L.	Spear
Bang	Frederick	Knutson	O'Neill	Stassen
Berg	Gearty	Larson	Patton	Stumpf
Bernhagen	Hansen, Baldy	Laufenburger	Perpich, A. J.	Tennessee
Blatz	Hansen, Mel	Lewis	Pillsbury	Ueland
Borden	Hanson, R.	Merriam	Purfeerst	Wegener
Chmielewski	Hughes	Milton	Renneke	Willet
Coleman	Jensen	Moe	Schaaf	
Conzemius	Josefson	Olhoff	Schmitz	
Davies	Keefe, J.	Olson, A. G.	Sillers	
Doty	Keefe, S.	Olson, H. D.	Solon	

Messrs. Ashbach and Brown voted in the negative.

So the bill passed and its title was agreed to.

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 1959, No. 128 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 1959: A bill for an act relating to health facilities; establishing an office of health facility ombudsman; appropriating money.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Olhoff	Schmitz
Ashbach	Dunn	Kleinbaum	Olson, A. G.	Sillers
Bang	Frederick	Knutson	Olson, H. D.	Solon
Bernhagen	Gearty	Kowalczyk	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Larson	O'Neill	Stassen
Brataas	Hansen, Mel	Laufenburger	Patton	Stokowski
Brown	Hughes	Lewis	Perpich, A. J.	Stumpf
Chmielewski	Humphrey	Merriam	Pillsbury	Tennessee
Coleman	Jensen	Milton	Purfeerst	Ueland
Conzemius	Josefson	Moe	Renneke	Wegener
Davies	Keefe, J.	Nelson	Schaaf	Willet

So the bill passed and its title was agreed to.

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated H. F. No. 290, No. 38 on the General Orders Calendar, a Special Order to be heard immediately.

H. F. No. 290: A bill for an act relating to sex discrimination; abolishing discrimination on the basis of sex in certain insurance laws; amending Minnesota Statutes 1974, Sections 61A.12, Subdivisions 2 and 4; 62A.041; 62C.14, Subdivision 5a; 69.40; 69.41; and 69.48.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, J.	Olhoft	Solon
Ashbach	Dunn	Kleinbaum	Olson, A. G.	Spear
Bang	Fitzsimons	Knutson	Olson, H. D.	Stassen
Berg	Frederick	Kowalczyk	Olson, J. L.	Stokowski
Bernhagen	Gearty	Larson	Patton	Stumpf
Blatz	Hansen, Baldy	Lewis	Perpich, A. J.	Ueland
Borden	Hansen, Mel	McCutcheon	Pillsbury	Wegener
Brown	Hanson, R.	Merriam	Renneke	Willet
Coleman	Hughes	Milton	Schaaf	
Conzemius	Jensen	Moe	Schmitz	
Davies	Josefson	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olhoft moved that S. F. No. 1740 be taken from the table. The motion prevailed.

Mr. Olhoft moved that the Senate do not concur in the amendments by the House to S. F. No. 1740 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

#### SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the rules of the Senate be so far suspended as to make the following bills a Special Orders Calendar for immediate consideration: S. F. Nos. 2082, 855 and H. F. Nos. 746, 348 and 910.

#### SPECIAL ORDER

S. F. No. 2082: A bill for an act relating to taxation; providing for payments from the taconite municipal aid account to certain cities and towns; amending Minnesota Statutes 1974, Section 298.282, Subdivision 2, and by adding subdivisions.

Mr. Perpich, A. J. moved to amend S. F. No. 2082 as follows:

Page 2, strike lines 18 to 24

Further amend the title as follows:

Page 1, line 6, strike "subdivisions" and insert "a subdivision"

The motion prevailed. So the amendment was adopted.

S. F. No. 2082: A bill for an act relating to taxation; providing for payments from the taconite municipal aid account to certain cities and towns. amending Minnesota Statutes 1974, Section 298.282. Subdivision 2, and by adding a subdivision.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 53 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Keefe, J.	Moe	Sillers
Ashbach	Doty	Keefe, S.	Olhoft	Solon
Berg	Dunn	Kleinbaum	Olson, A. G.	Spear
Bernhagen	Frederick	Knutson	Olson, J. L.	Stassen
Blatz	Gearty	Kowalczyk	O'Neill	Stokowski
Borden	Hansen, Baldy	Larson	Patton	Stumpf
Brataas	Hansen, Mel	Laufenburger	Perpich, A. J.	Tennessee
Brown	Hanson, R.	Lewis	Pillsbury	Wegener
Chmielewski	Hughes	McCutcheon	Renneke	Willet
Coleman	Humphrey	Merriam	Schaaf	
Conzemius	Josefson	Milton	Schmitz	

Mr. Jensen voted in the negative.

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

### SPECIAL ORDER

H. F. No. 746: A bill for an act relating to commerce; requiring prices on certain retail food packages.

Mr. Laufenburger moved to amend H. F. No. 746 as follows:

Page 1, line 5, before "Every" insert "In any store using an electronic scanner to read the price of items presented for check-out,"

The motion prevailed. So the amendment was adopted.

Mr. Nelson moved to amend H. F. No. 746 as follows:

Page 1, line 9, after "check-out" insert "unless the price of the item is clearly marked with numerals of at least one inch in height on the shelf where the product is displayed"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 32 and nays 27, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Kirchner	Patton	Tennessee
Bang	Fitzsimons	Knutson	Perpich, A. J.	Ueland
Berg	Frederick	Larson	Pillsbury	Wegener
Bernhagen	Hansen, Mel	Nelson	Renneke	Willet
Blatz	Hanson, R.	North	Schaaf	
Brataas	Jensen	Olson, J. L.	Schmitz	
Brown	Josefson	O'Neill	Sillers	

Those who voted in the negative were:

Arnold	Hansen, Baldy	Laufenburger	Ogdahl	Stassen
Chenoweth	Hughes	Lewis	Olhoft	Stokowski
Chmielewski	Humphrey	McCutcheon	Purfeerst	Stumpf
Coleman	Keefe, S.	Merriam	Schrom	
Davies	Kleinbaum	Milton	Solon	
Gearty	Kowalczyk	Moe	Spear	

The motion prevailed. So the amendment was adopted.

H. F. No. 746 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended.

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

And the roll being called, there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Borden	Gearty	Laufenburger	Olson, A. G.	Stokowski
Brown	Hansen, Baldy	McCutcheon	Olson, H. D.	Stumpf
Chenoweth	Hughes	Merriam	O'Neill	Tennessee
Chmielewski	Humphrey	Milton	Schaaf	
Coleman	Keefe, S.	Moe	Schrom	
Davies	Kleinbaum	Ogdahl	Spear	
Doty	Kowalczyk	Olhoft	Stassen	

Those who voted in the negative were:

Anderson	Brataas	Jensen	North	Schmitz
Arnold	Conzemius	Josefson	Olson, J. L.	Sillers
Ashbach	Dunn	Kirchner	Patton	Solon
Bang	Fitzsimons	Knutson	Perpich, A. J.	Ueland
Berg	Frederick	Larson	Pillsbury	Wegener
Bernhagen	Hansen, Mel	Lewis	Purfeerst	Willet
Blatz	Hanson, R.	Nelson	Renneke	

So the bill failed to pass.

**SPECIAL ORDER**

H. F. No. 348: A bill for an act relating to insurance; clarifying the application of state law to certain insurance contracts; amending Minnesota Statutes 1974, Chapter 60A, by adding a section.

Mr. Kleinbaum moved to amend H. F. No. 348 as follows:

Pages 1 and 2, strike all of section 1 and insert:

“Section 1. Minnesota Statutes 1974, Section 62A.15, is amended by adding a subdivision to read:

*Subd. 3. No carrier referred to in subdivision 1 shall, in the payment of claims to employees in this state, deny benefits payable for services covered by the policy or contract if the services are lawfully performed by a duly licensed chiropractor.”*

Amend the title as follows:

Line 2, after “insurance;” insert: “extending the required inclusion of chiropractic services under group accident and health policies and subscriber contracts;”

Lines 4 and 5, strike “Chapter 60A, by adding a section” and insert “Section 62A.15, by adding a subdivision”

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 32 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Kleinbaum	Olson, J. L.	Stassen
Bang	Gearty	Knutson	Patton	Ueland
Berg	Hansen, Baldy	Kowalczyk	Pillsbury	Wegener
Bernhagen	Hansen, Mel	Larson	Renneke	Willet
Blatz	Hanson, R.	Laufenburger	Schmitz	
Brataas	Josefson	Milton	Schrom	
Brown	Kirchner	Ogdahl	Sillers	

Those who voted in the negative were:

Anderson	Conzemius	Keefe, S.	North	Spear
Arnold	Davies	Lewis	Olhoff	Stokowski
Borden	Doty	McCutcheon	Olson, H. D.	Stumpf
Chenoweth	Humphrey	Merriam	Purfeerst	Tennessee
Coleman	Keefe, J.	Moe	Schaaf	

The motion prevailed. So the amendment was adopted.

Mr. Milton moved to amend the amendment placed on H. F. No. 348 by the Committee on Labor and Commerce, adopted by the Senate February 19, 1976, as follows:

After section 1, insert:

*"Sec. 2. Sections 2 to 15 may be cited as the "Temporary Joint Underwriting Association Act."*

*Sec. 3. [JOINT UNDERWRITING ASSOCIATION.] Subdivision 1. [CREATION.] There is created a temporary joint underwriting association to provide medical malpractice insurance coverage to any licensed health care provider unable to obtain this insurance through ordinary methods. Every insurer authorized to write and writing personal injury liability insurance in this state shall be a member of the association as a condition to obtaining and retaining a license to write insurance in this state.*

*Subd. 2. [DIRECTORS.] The association shall have a board of directors composed of 11 persons chosen annually as follows: five persons elected by members of the association at a meeting called by the commissioners; three members who are health care providers appointed by the commissioner prior to the election by the association; and three public members, as defined in section 214.02, appointed by the governor prior to the election by the association.*

*Sec. 4. [DEFINITIONS.] Subdivision 1. As used in sections 2 to 15, the following words shall have the meanings given.*

*Subd. 2. "Association" means the temporary joint underwriting association.*

*Subd. 3. "Commissioner" means the commissioner of insurance.*

*Subd. 4. "Medical malpractice insurance" means insurance against loss, damage or expense incident to a claim arising out of the death or injury of any person as the result of negligence or malpractice in rendering professional service by any licensed health care provider.*

*Subd. 5. "Member" means every insurer authorized to write and writing personal injury liability insurance in this state.*

*Subd. 6. "Net direct premiums" means gross direct premiums written on personal injury liability insurance, including the liability component of multiple peril package policies as computed by the commissioner, less return premiums for the unused or unabsorbed portions of premium deposits.*

*Subd. 7. "Personal injury liability insurance" means insurance described in section 60A.06, subdivision 1, clause (13).*

**Sec. 5. [AUTHORIZATION TO ISSUE INSURANCE.]** *Subdivision 1. If the commissioner determines after a hearing that medical malpractice insurance cannot be made available for either physicians, hospitals or other specific types of health care providers in the voluntary market, he shall authorize the association to issue medical malpractice insurance on a primary basis for physicians, hospitals or other health care provider. If the commissioner determines after a hearing that insurance issued by the association can be made available in the voluntary market, he shall revoke the association's authorization to issue that insurance which can be made available.*

*Subd. 2. If the association is authorized by the commissioner to issue insurance, it shall:*

*(a) Issue or cause to be issued insurance policies to applicants, including incidental coverages, subject to limits as specified in the plan of operation but not to exceed one million dollars for each claimant under one policy and three million dollars for all claimants under one policy in any one year;*

*(b) Underwrite the insurance and adjust and pay losses with respect thereto, or appoint service companies to perform those functions;*

*(c) Assume reinsurance from its members; and*

*(d) Cede reinsurance.*

**Sec. 6. [PLAN OF OPERATION.]** *Subdivision 1. Within 45 days following the effective date of this act, the directors of the association shall submit to the commissioner for his review, a proposed plan of operation, consistent with the provisions of sections 2 to 15.*

*The plan of operation shall provide for economic, fair and nondiscriminatory administration and for prompt and efficient providing of medical malpractice insurance. It may contain other provisions, including but not limited to preliminary assessment of all members for initial expenses necessary to commence operations, establishment of necessary facilities, management of the association, assessment of members to defray losses and expenses, commission arrangements, reasonable and objective underwriting standards, acceptance and cession of reinsurance, appointment of servicing carriers or other servicing arrangements and procedures for determining amounts of insurance to be provided by the association.*

*Subd. 2. The plan of operation shall be subject to approval by the commissioner after consultation with the members of the association, representatives of the public and other affected individuals and organizations. If the commissioner disapproves all or any part of the proposed plan of operation, the directors shall within 15 days submit for review an appropriate revised plan of operation or part thereof. If a revised plan is not submitted within 15 days, the commissioner shall promulgate a plan of operation or part thereof, as the case may be. The plan of operation approved or promulgated by the commissioner shall become effective and operational upon order of the commissioner.*

*Subd. 3. Amendments to the plan of operation may be made by the commissioner or by the directors of the association, subject to the approval of the commissioner.*

Sec. 7. [POLICY FORMS AND RATES.] *Subdivision 1. A policy issued by the association shall provide for a continuous period of coverage beginning with its effective date and terminating automatically at 12:01 a.m. on September 1, 1978, or sooner as provided in sections 2 to 15. The policy shall be issued subject to the group retrospective rating plan and the stabilization reserve fund authorized by section 10. The policy may be written to apply only to injury (a) which results from acts or omissions during the policy period and (b) which is discovered and for which written claim is made against the insured during the policy period, but only if the policy contains a provision that upon termination the insured has the right, on payment of appropriate additional premiums, to extend or remove the discovery period limitation. No policy form shall be used by the association unless it has been filed with the commissioner, and the commissioner may disapprove the form within 30 days if he determines it is misleading or violates public policy.*

*Subd. 2. If an insured fails to pay a stabilization reserve fund charge the association may cancel a policy by mailing or delivering to the insured at the address shown on the policy at least ten days written notice stating the date the cancellation is effective.*

*Subd. 3. The rates, rating plans, rating rules, rating classifications and territories applicable to the insurance written by the association and statistics relating thereto shall be subject to chapter 70A. Rates shall be on an actuarially sound basis, giving consideration to the group retrospective rating plan and the stabilization reserve fund. The commissioner shall take all appropriate steps to make available to the association the loss and expense experience of insurers previously writing medical malpractice insurance in this state.*

*Subd. 4. All policies issued by the association are subject to a non-profit group retrospective rating plan approved by the commissioner under which the final premium for the insureds of the association, as a group, will be equal to the administrative expenses, loss and loss adjustment expenses and taxes, plus a reasonable allowance for contingencies and servicing. Policyholders shall be given full credit for all investment income, net of expenses and a reasonable management fee, on policyholder supplied funds. The standard premium, before retrospective adjustment, for each policy issued by the association shall be established for portions of the policy period coinciding with the association's fiscal year on the basis of the association's rates, rating plans, rating rules, rating classifications and territories then in effect. The maximum premium for all policyholders of the association, as a group, shall be limited as provided in sections 2 to 15. Rates filed and premiums charged for the business of the association are presumed reasonable and not excessive.*

*Subd. 5. The commissioner shall examine the business of the association as often as he deems appropriate to insure that the group retrospective rating plan is operating in a manner consistent with sections 2 to 15. If he finds that the operation is deficient or inconsistent with sections 2 to 15, he may order the association to take corrective action.*

*Subd. 6. The association shall certify to the commissioner the estimated amount of any deficit remaining after the stabilization reserve fund has been exhausted in payment of the maximum*

*final premium for all policyholders of the association. Within 60 days after such certification, the commissioner shall authorize the association to recover the members' respective shares of the deficit by one of the following procedures:*

*(a) Applying a surcharge determined by the association at a rate not to exceed two percent of the annual premiums on future policies affording those kinds of insurance which form the basis for their participation in the association; or*

*(b) Deducting the members' share of the deficit from past or future premium taxes due the state. If the commissioner fails to authorize a procedure in 60 days, the association may recover its deficit pursuant to clause (b). The association shall submit an amended certification and shall adjust the recovery procedure as its incurred losses become finalized.*

*Subd. 7. If sufficient funds are not available for the sound financial operation of the association, pending recovery as provided in subdivision 6, all members shall, on a temporary basis contribute to the association in the manner provided in section 8. The contribution shall be reimbursed to the members by the recovery procedure authorized in subdivision 6.*

*Sec. 8. [PARTICIPATION.] A member of the association shall participate in its writings, expenses, servicing allowance, management fees and losses in the proportion that the net direct premiums of the member, excluding that portion of premiums attributable to the operation of the association, written during the preceding calendar year bears to the aggregate net direct premiums written in this state by all members. The member's participation in the association shall be determined annually on the basis of net direct premiums written during the preceding calendar year, as reported in the annual statements and other reports filed by the member with the commissioner.*

*Sec. 9. [PROCEDURES.] Subdivision 1. Beginning on the effective date of the plan of operation, a licensed health care provider may apply to the association for medical malpractice insurance. An application may be made by an authorized agent of the health care provider.*

*Subd. 2. If the association determines that the applicant meets the underwriting standards of the association as described in the plan of operation and there is no unpaid, uncontested premium due from the applicant for prior insurance, including failure to make written objection to premium charges within 30 days after billing, the association, upon receipt of the premium or portion thereof as is prescribed in the plan of operation, shall issue a policy of medical malpractice insurance.*

*Sec. 10. [STABILIZATION RESERVE FUND.] Subdivision 1. There is created a stabilization reserve fund administered by three directors, as follows: the commissioner; a representative of the association appointed by the commissioner; and a representative of the policyholders of the association, appointed by the commissioner.*

*Subd. 2. The directors shall act by majority vote with two directors constituting a quorum for the transaction of any business or the exercise of any power of the fund. The directors shall serve without salary, but shall be reimbursed for expenses in the manner provided for state employees. The directors shall not be subject to personal liability or accountability in the administration of the fund.*

*Subd. 3. Each policyholder shall pay to the association a stabilization reserve fund charge of 33 percent of each premium payment due for insurance through the association. This charge shall be separately stated in the policy. The association shall cancel the policy of any policyholder who fails to pay the stabilization reserve fund charge.*

*Subd. 4. The association shall promptly pay into the stabilization reserve fund charges which it collects from its policyholders and any retrospective premium refunds payable under the group retrospective rating plan.*

*Subd. 5. All moneys paid into the fund shall be held in trust by a corporate trustee selected by the directors. The corporate trustee may invest the moneys held in trust, subject to the approval of the directors. All investment income shall be credited to the fund. All expenses of administration of the fund shall be charged against the fund. The moneys held in trust shall be used solely for the purpose of discharging when due any retrospective premium charges payable by policyholders of the association under the group retrospective rating plan. Payment of retrospective premium charges shall be made by the directors upon certification to them by the association of the amount due. If all moneys accruing to the fund are exhausted in payment of retrospective premium charges, all liability and obligations of the association's policyholders with respect to the payment of retrospective premium charges shall terminate and shall be conclusively presumed to have been discharged. Any moneys remaining in the fund after all retrospective premium charges have been paid shall be returned to policyholders under procedures authorized by the directors.*

**Sec. 11. [INVESTIGATION.]** *The commissioner shall investigate the association at least annually. The investigation shall be conducted and a report filed in the manner prescribed in section 60A.031. The expenses of the examination shall be paid by the association in the manner prescribed by section 60A.03, subdivision 5.*

**Sec. 12. [PRIVILEGED COMMUNICATIONS.]** *No cause of action of any nature shall arise against the association, the commissioner or his authorized representatives or any other person or organization, for any statements made in good faith by them during any proceedings or concerning any matters within the scope of sections 2 to 15.*

**Sec. 13. [APPEALS AND JUDICIAL REVIEW.]** *Any applicant to the association, any person insured pursuant to sections 2 to 14, or their representatives, or any affected insurer, may appeal to the commissioner within 30 days after any ruling, action*

or decision by or on behalf of the association, with respect to those items the plan of operation defines as appealable matters.

Sec. 14. [PUBLIC OFFICERS OR EMPLOYEES.] No director of the stabilization reserve fund who is otherwise a public officer or employee shall forfeit his office or employment or lose the rights and privileges pertaining thereto, by reason of membership on the board of directors of the stabilization reserve fund.

Sec. 15. [ANNUAL STATEMENTS.] On March 1 of each year the association shall file with the commissioner, a report of its transactions, financial condition, and operations during the preceding year. The report shall be in a form approved by the commissioner. The commissioner may at any time require the association to furnish additional information to assist in evaluating the scope, operation and experience of the association.

Sec. 16. Sections 2 to 15 of this act shall expire two years after their effective date."

Before the title amendment, insert:

"Sec. 18. Sections 2 to 16 of this act shall be effective the day following their final enactment."

Amend the title amendment as follows:

Line 5, after "laws;" insert: "establishing a temporary joint underwriting association for medical malpractice insurance; requiring membership; setting standards; providing for appeals, recovery of contributions and reporting of financial conditions;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 32 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knutson	Ogdahl	Stassen
Arnold	Gearty	Larson	Olhoft	Stumpf
Bang	Hughes	Laufenburger	Perpich, A. J.	Wegener
Borden	Humphrey	Lewis	Schaaf	Willet
Chenoweth	Keefe, S.	Merriam	Schmitz	
Coleman	Kirchner	Milton	Solon	
Conzemius	Kleinbaum	Nelson	Spear	

Those who voted in the negative were:

Ashbach	Davies	Jensen	Olson, A. G.	Purfeerst
Berg	Frederick	Josefson	Olson, H. D.	Renneke
Bernhagen	Hansen, Baldy	Kowalczyk	Olson, J. L.	Sillers
Blatz	Hansen, Mel	McCutcheon	Patton	Stokowski
Brown	Hanson, R.	Moe	Pillsbury	Tennessee

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

Mr. Keefe, S. moved to amend the Milton amendment to H. F. No. 348 as follows:

Page 6, strike lines 9 and 10

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

H. F. No. 348 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 44 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kleinbaum	Nelson	Sillers
Arnold	Dunn	Knutson	Ogdahl	Solon
Ashbach	Frederick	Kowalczyk	Olhoft	Spear
Bang	Gearty	Larson	Olson, H. D.	Stassen
Bernhagen	Hanson, R.	Laufenburger	Patton	Stumpf
Blatz	Hughes	Lewis	Perpich, A. J.	Ueland
Borden	Humphrey	Merriam	Schaaf	Wegener
Coleman	Josefson	Milton	Schmitz	Willet
Conzemius	Keefe, S.	Moe	Schrom	

Those who voted in the negative were:

Berg	Hansen, Baldy	Olson, J. L.	Purfeerst	Stokowski
Brown	Jensen	Pillsbury	Renneke	Tennessee
Davies	Olson, A. G.			

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

### RECESS

Mr. Coleman moved that the Senate do now recess until 1:30 o'clock p.m. The motion prevailed.

The hour of 1:30 o'clock p.m. having arrived, the President called the Senate to order.

### MEMBERS EXCUSED

Messrs. Josefson and Sillers were excused from the Session of today at 6:15 o'clock p.m.

Pursuant to Rule 21, Mr. Laufenburger moved that the following members be excused for a Conference Committee on H. F. No. 525.

Messrs. Laufenburger, Brown, Schaaf, North and Borden. The motion prevailed.

Pursuant to Rule 21, Mr. Kirchner moved that the following members be excused for a Conference Committee on H. F. No. 1382.

Messrs. Kirchner, North and Gearty. The motion prevailed.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Borden moved that S. F. No. 2584 be withdrawn from the Committee on Natural Resources and Agriculture and re-referred to the Committee on Rules and Administration. The motion prevailed.

**APPOINTMENTS**

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 2159, pursuant to the request of the House:

Messrs. Stokowski, Ogdahl and Gearty.

S. F. No. 1740, pursuant to the request of the Senate:

Messrs. Olhoft, Jensen and Willet.

S. F. No. 1051, pursuant to the request of the Senate:

Messrs. Coleman, Pillsbury and Borden.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

**SPECIAL ORDER**

H. F. No. 910: A bill for an act relating to crimes; specifying the acts constituting arson and the possession of certain explosives; providing penalties; amending Minnesota Statutes 1974, Chapters 299F, by adding sections; and 609, by adding sections; repealing Minnesota Statutes 1974, Sections 299F.81; 609.555; 609.56; 609.565; 609.57; 609.575; and 609.61.

Mr. Davies moved to amend H. F. No. 910 as follows:

Page 5, after line 20, insert:

"Sec. 9. Minnesota Statutes, 1975 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, if he engages in sexual contact with another person and if any of the following circumstances exist:

(a) The complainant is under 13 years of age and the actor is no less 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; 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 coerce 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 reasonably 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."

Renumber the remaining section

Amend the title as follows:

Line 4, after "explosives;" insert "correcting an error in the definition of certain criminal sexual conduct;"

Line 6, after "sections;" and before "repealing" insert "Minnesota Statutes, 1975 Supplement, Section 609.345;"

The motion prevailed. So the amendment was adopted.

Mr. Brown moved to amend H. F. No. 910 as follows:

Page 5, after line 20, insert:

"Sec. 9. Minnesota Statutes 1974, Chapter 609, is amended by adding a section to read:

[609.232] [ASSAULT UPON CORRECTIONS DEPARTMENT PERSONNEL.] *Subdivision 1. Any person, other than a fellow employee or a juvenile under commitment to a reformatory who, while within a prison or reformatory, or any other inmate or parolee who, while within or outside of a prison or reformatory forcibly assaults, resists, opposes, impedes, intimidates, or interferes with any officer or employee of the department of corrections while engaged in or on account of the performance of his official duties, shall be guilty of a felony and be imprisoned for three years.*

*Subd. 2. Whoever, in the commission of any of the acts enumerated in subdivision 1, uses a deadly or dangerous weapon, shall be guilty of a felony and be imprisoned for seven years.*

*Subd. 3. Any sentence imposed pursuant to subdivisions 1 or 2 shall be consecutive to any sentence previously imposed or which may be imposed for any crime or offense for which the person was in custody at the time of the assault or other act in violation of subdivision 1 or 2."*

Renumber the sections in sequence.

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 28 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Hansen, Mel	Larson	Patton
Bang	Doty	Hanson, R.	Merriam	Pillsbury
Berg	Dunn	Josefson	Nelson	Renneke
Bernhagen	Fitzsimons	Keefe, J.	Ogdahl	Sillers
Brataas	Frederick	Knutson	Olson, J. L.	
Brown	Hansen, Baldy	Kowalczyk	O'Neill	

Those who voted in the negative were:

Arnold	Hughes	McCutcheon	Perpich, A. J.	Stokowski
Borden	Humphrey	Milton	Purfeerst	Tennessee
Chenoweth	Keefe, S.	Moe	Schaaf	Wegener
Coleman	Kleinbaum	Olhoft	Schmitz	Willett
Conzemius	Laufenburger	Olson, A. G.	Soln	
Davies	Lewis	Olson, H. D.	Spears	

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

H. F. No. 910 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 57 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Knutson	Olson, A. G.	Sillers
Ashbach	Doty	Kowalczyk	Olson, H. D.	Solon
Bang	Dunn	Larson	Olson, J. L.	Spear
Berg	Fitzsimons	Laufenburger	O'Neill	Stassen
Bernhagen	Hansen, Mel	Lewis	Patton	Stokowski
Borden	Hanson, R.	McCutcheon	Perpich, A. J.	Tennessen
Brataas	Hughes	Merriam	Pillsbury	Ueland
Brown	Humphrey	Milton	Purfeerst	Wegener
Chenoweth	Jensen	Moe	Renneke	Willet
Chmielewski	Josefson	Nelson	Schaaf	
Coleman	Keefe, S.	Ogdahl	Schmitz	
Conzemius	Kleinbaum	Olhoft	Schrom	

Mr. Hansen, Baldy voted in the negative.

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

#### SPECIAL ORDER

S. F. No. 855: A bill for an act relating to metropolitan government; authorizing council regulations establishing standards and guidelines for determining matters of metropolitan significance to be adopted without specific legislative approval; amending Laws 1975, Chapter 13, Section 18, Subdivision 2.

Mr. Schaaf moved to amend S. F. No. 855 as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 473.123, is amended to read:

473.123 [METROPOLITAN COUNCIL.] Subdivision 1. [CREATION.] A metropolitan council with jurisdiction in the metropolitan area consisting of the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, is created. It shall be under the supervision and control of 17 members, all of whom shall be residents of the metropolitan area.

Subd. 2. [TERMS.] Commencing the first Monday in January, 1975, the council members shall be appointed by the governor from each of the districts described in subdivision 3. The terms of the members shall be as follows: members representing even numbered districts for terms ending the first Monday in January, 1977; *and then for terms ending the first Monday in January, 1979 and members representing odd numbered districts for terms ending the first Monday in January, 1979. Thereafter the term of each member shall be for a term of four years and until his successor is appointed and qualified.*

Members of the council serving as of the first Monday in January, 1975 shall continue to serve the district described in subdivi-

sion 3 in which they reside for the term herein prescribed for that district, provided that if more than one such member resides in the same district the governor shall designate one of them to serve as the council member from the district and the terms of the other members are thereupon terminated. The governor shall appoint as members of the council one resident of each district described in subdivision 3 in which no present member of the council resides to serve for the term herein defined. For the purpose of this subdivision the residence of present members of the council serving as of the first Monday in January, 1975 shall be their residence as of July 1, 1974.

*Commencing with the general election in 1978, members of the council shall be elected, one from each district described in subdivision 3, to three year terms. Commencing with the uniform municipal election in 1981, members shall be elected in the following manner: members representing even-numbered districts shall be elected in 1981 for a four-year term and every four years thereafter; members representing odd-numbered districts shall be elected at the uniform municipal election in 1981 for a two-year term, and in 1983 for a four year term and every four years thereafter. An elective term for a member shall begin on the first Monday in January after election and continue until his successor is elected and qualifies.*

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

(1) The first council district consists of that part of the city of St. Paul described as follows: commencing at the intersection of the center line of University avenue with the west city limits, extending easterly along the center line of University avenue to the center line of Rice street, extending southerly along the center line of Rice street to the center line of Interstate 94, extending easterly along the center line of Interstate 94 to the center line of Summit avenue extended, extending southwesterly along the center line of Summit avenue extended and Summit avenue to the center line of Kellogg boulevard, extending southeasterly along the center line of Kellogg boulevard to the center line of Eagle street, extending southeasterly along the center line of Eagle street to the main channel of the Mississippi river, extending southwesterly, westerly, and northerly along the main channel of the Mississippi river to the west city limits, and extending northerly along the west city limits to the point of origin.

(2) The second council district consists of that part of the county of Ramsey consisting of the cities of Lauderdale, Falcon Heights, and Roseville; and that part of the city of St. Paul described as follows: commencing at the intersection of the

center line of University avenue with the west city limits, extending easterly along the center line of University avenue to the center line of Rice street, extending northerly along the center line of Rice street to the Burlington Northern railroad right of way, extending easterly along the Burlington Northern railroad right of way to the center line of Sylvan street, extending northerly along the center line of Sylvan street to the center line of Magnolia avenue west, extending easterly along the center line of Magnolia avenue west to the center line of Agate street, extending northerly along the center line of Agate street to the center line of Jessamine avenue west extended, extending easterly along the center line of Jessamine avenue west extended to the center line of Interstate 35E, extending northerly along the center line of Interstate 35E to the north city limits, and extending westerly, southerly, westerly, southerly, westerly, northerly, westerly, and southerly along the city limits to the point of origin.

(3) The third council district consists of that part of the city of St. Paul described as follows: commencing at the intersection of the center line of Interstate 35E with the north city limits, extending southerly along the center line of Interstate 35E to the center line of Jessamine avenue west extended; extending westerly along the center line of Jessamine avenue west extended to the center line of Agate street, extending southerly along the center line of Agate street to the center line of Magnolia avenue west, extending westerly along the center line of Magnolia avenue west to the center line of Sylvan street, extending southerly along the center line of Sylvan street to the Burlington Northern railroad right of way, extending westerly along the Burlington Northern railroad right of way to the center line of Rice street, extending southerly along the center line of Rice street to the center line of Interstate 94, extending easterly along the center line of Interstate 94 to the center line of Summit avenue extended, extending southwestward along the center line of Summit avenue extended and Summit avenue to the center line of Kellogg boulevard, extending southeasterly along the center line of Kellogg boulevard to the center line of Eagle street, extending south-easterly along the center line of Eagle street to the main channel of the Mississippi river, extending southwestward along the main channel of the Mississippi river to the south city limits, extending easterly, northerly, easterly, southerly, easterly, southeasterly, easterly, northerly, and westerly along the city limits to the point of origin.

(4) The fourth council district consists of that part of the county of Ramsey consisting of the town of White Bear; the cities of Arden Hills, Gem Lake, Little Canada, Moundsview, New Brighton, North Oaks, North St. Paul, Shoreview, and Vad-nais Heights; that part of the city of White Bear Lake lying in the county of Ramsey; and that part of the city of Maplewood lying north of the center line of Larpenteur Avenue.

(5) The fifth council district consists of that part of the county of Hennepin consisting of the city of Robbinsdale; that part of the city of Golden Valley described as follows: commencing

at the intersection of the center line of trunk highway No. 100 with the north city limits, extending southerly along the center line of trunk highway No. 100 to the Minnesota Western railroad right of way, extending easterly along the Minnesota Western railroad right of way to the east city limits, and extending northerly, westerly, northerly, and westerly along the city limits to the point of origin; and that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi river with the north city limits, extending southerly along the main channel of the Mississippi river to the Burlington Northern railroad right of way, extending southwesterly along the Burlington Northern railroad right of way to the center line of Sixth street north extended, extending southeasterly along the center line of Sixth street north extended and sixth street north to the center line of Hennepin avenue, extending southwesterly along the center line of Hennepin avenue to the center line of Franklin avenue west, extending westerly along the center line of Franklin avenue west to the center line of Lake of the Isles boulevard east, extending southerly along the center line of Lake of the Isles boulevard east to the center line of Lake Calhoun boulevard east, extending southerly along the center line of Lake Calhoun boulevard east to the center line of Lake street west, extending westerly along the center line of Lake street west to the west city limits, and extending northerly, easterly, northerly, and easterly along the city limits to the point of origin.

(6) The sixth council district consists of that part of the county of Hennepin consisting of that part of the city of St. Anthony lying in the county of Hennepin; and that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi river with the north city limits, extending southerly along the main channel of the Mississippi river to the Burlington Northern railroad right of way, extending southwesterly along the Burlington Northern railroad right of way to the center line of Sixth street north extended, extending southeasterly along the center line of Sixth street north extended and Sixth street north to the center line of Hennepin avenue, extending southwesterly along the center line of Hennepin avenue to the center line of Lincoln avenue extended, extending easterly along the center line of Lincoln avenue extended to the center line of Lyndale avenue south, extending southerly along the center line of Lyndale avenue south to the center line of Twenty-fourth street east, extending easterly along the center line of Twenty-fourth street east to the center line of Stevens avenue south, extending southerly along the center line of Stevens avenue south to the center line of Twenty-fifth street east, extending easterly along the center line of Twenty-fifth street east to the center line of Fifteenth avenue south, extending northerly along the center line of Fifteenth avenue south to the center line of Twenty-fourth street east, extending easterly along the center line of Twenty-fourth street east to the center line of Cedar avenue south, extending northerly along the center line of Cedar avenue south to the

center line of Sixth street south; extending easterly along the center line of Sixth street south to the center line of Twenty-seventh avenue south extended, extending northerly along the center line of Twenty-seventh avenue south extended to the main channel of the Mississippi river, extending southeasterly along the main channel of the Mississippi river to the east city limits, and extending northerly, westerly, northerly, westerly, northerly, and westerly to the point of origin; and that part of the county of Ramsey consisting of that part of the city of St. Anthony lying in the county of Ramsey.

(7) The seventh council district consists of that part of the city of Minneapolis described as follows: commencing at the intersection of the center line of Lake street west with the west city limits, extending easterly along the center line of Lake street west to the center line of Lake Calhoun boulevard east, extending northerly along the center line of Lake Calhoun boulevard east to the center line of Lake of the Isles boulevard east, extending northerly along the center line of Lake of the Isles boulevard east to the center line of Franklin avenue west, extending easterly along the center line of Franklin avenue west to the center line of Hennepin avenue, extending northeasterly along the center line of Hennepin avenue to the center line of Lincoln avenue extended, extending easterly along the center line of Lincoln avenue extended to the center line of Lyndale avenue south, extending southerly along the center line of Lyndale avenue south to the center line of Twenty-fourth street east, extending easterly along the center line of Twenty-fourth street east to the center line of Stevens avenue south, extending southerly along the center line of Stevens avenue south to the center line of Twenty-fifth street east, extending easterly along the center line of Twenty-fifth street east to the center line of Chicago avenue south, extending southerly along the center line of Chicago avenue south to the center line of Thirty-eighth street east, extending westerly along the center line of Thirty-eighth street east to the center line of Fourth avenue south, extending southerly along the center line of Fourth avenue south to the center line of Forty-second street east, extending westerly along the center line of Forty-second street east to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the center line of Forty-eighth street east extended, extending westerly along the center line of Forty-eighth street east extended and Forty-eighth street east to the center line of Nicollet avenue south, extending southerly along the center line of Nicollet avenue south to the center line of Fifty-seventh street east, extending easterly along the center line of Fifty-seventh street east and Fifty-seventh street east extended to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the south city limits, and extending westerly, northerly, westerly, and northerly to the point of origin.

(8) The eighth council district consists of that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi river with the east

city limits, extending northwesterly along the main channel of the Mississippi river to the center line of Twenty-seventh avenue south extended, extending southerly along the center line of Twenty-seventh avenue south extended to the center line of Sixth street south, extending westerly along the center line of Sixth street south to the center line of Cedar avenue south, extending southerly along the center line of Cedar avenue south to the center line of Twenty-fourth street east, extending westerly along the center line of Twenty-fourth street east to the center line of Fifteenth avenue south, extending southerly along the center line of Fifteenth avenue south to the center line of Twenty-fifth street east, extending westerly along the center line of Twenty-fifth street east to the center line of Chicago avenue south, extending southerly along the center line of Chicago avenue south, to the center line of Thirty-eighth street east, extending westerly along the center line of Thirty-eighth street east to the center line of Fourth avenue south, extending southerly along the center line of Fourth avenue south to the center line of Forty-second street east, extending westerly along the center line of Forty-second street east to the centerline of Interstate 35W, extending southerly along the center line of Interstate 35W to the center line of Forty-eighth street east extended, extending westerly along the center line of Forty-eighth street east extended and Forty-eighth street east to the center line of Nicollet avenue south, extending southerly along the center line of Nicollet avenue south to the center line of Fifty-seventh street east, extending easterly along the center line of Fifty-seventh street east and Fifty-seventh street east extended to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the south city limits, and extending easterly, northerly, easterly, and northerly to the point of origin.

(9) The ninth council district consists of that part of the county of Hennepin consisting of the Fort Snelling area; the city of Richfield; and that part of the city of Bloomington described as follows: commencing at the intersection of the center line of France avenue south with the north city limits, extending southerly along the center line of France avenue south to the center line of One Hundred Second street west, extending westerly along the center line of One Hundred Second street west to the center line of Johnson avenue, extending southerly along the center line of Johnson avenue to the Minneapolis, Northfield, and Southern railroad right of way, extending southwestly along the Minneapolis, Northfield, and Southern railroad right of way to the center line of Normandale boulevard, extending southerly along the center line of Normandale boulevard to the south city limits, extending easterly, northeasterly, westerly, northerly, and westerly along the city limits to the point of origin.

(10) The tenth council district consists of that part of the county of Hennepin consisting of the cities of New Hope, Crystal and St. Louis Park; and that part of the city of Golden Valley

described as follows: commencing at the intersection of the center line of trunk highway No. 100 and the north city limits, extending southerly along the center line of trunk highway No. 100 to the Minnesota Western railroad right of way, extending easterly along the Minnesota Western railroad right of way to the east city limits, extending southerly, westerly, southerly, westerly, and northerly along the city limits to the center line of Olson Memorial highway, extending easterly along the center line of Olson Memorial highway to the center line of Winnetka avenue north, extending northerly along the center line of Winnetka avenue north to the north city limits, and extending easterly along the north city limits to the point of origin.

(11) The eleventh council district consists of that part of the county of Hennepin consisting of the cities of Edina, Medicine Lake, Minnetonka, Plymouth, Hopkins and Wayzata; and that part of the city of Golden Valley described as follows: commencing at the intersection of the center line of Winnetka avenue north and the north city limits, extending southerly along the center line of Winnetka avenue north to the center line of Olson Memorial highway; extending westerly along the center line of Olson Memorial highway to the west city limits, and extending northerly and easterly along the city limits to the point of origin.

(12) The twelfth council district consists of that part of the county of Anoka consisting of the towns of Burns, Grow, Oak Grove, and Ramsey; the cities of Anoka, Bethel and St. Francis; and that part of the county of Hennepin consisting of the town of Hassan; the cities of Corcoran, Champlin, Davton, Greenfield, Independence, Loretto, Maple Grove, Maple Plain, Medina, Minnetrista, Osseo, Rogers, St. Bonifacius, Brooklyn Center and Brooklyn Park; and that part of the cities of Hanover and Rockford lying in the county of Hennepin.

(13) The thirteenth council district consists of that part of the county of Anoka consisting of the town of Ham Lake; the cities of East Bethel, Hilltop, Columbia Heights, Coon Rapids, and Fridley; and that part of the city of Spring Lake Park and the city of Blaine lying in Anoka county; and that part of the county of Ramsey consisting of that part of the cities of Spring Lake Park and Blaine lying in the county of Ramsey.

(14) The fourteenth council district consists of the county of Washington; that part of the county of Anoka consisting of the towns of Columbus and Linwood; and the cities of Centerville, Circle Pines, Lexington, and Lino Lakes; that part of the county of Dakota consisting of the towns of Marshan, Nininger, and Ravenna; the city of Hastings; and that part of the county of Ramsey consisting of that part of the city of Maplewood lying south of the center line of Larpenteur avenue.

(15) The fifteenth council district consists of that part of the county of Dakota consisting of the towns of Castle Rock, Douglas, Eagan, Empire, Eureka, Greenvale, Hampton, Randolph, Sciota, Vermillion, and Waterford; the cities of Apple Valley, Burnsville, Coates, Farmington, Hampton, Inver Grove Heights, Lilydale, Mendota, Mendota Heights,

Miesville, New Trier, Randolph, Rosemount, Sunfish Lake, Vermillion, South St. Paul and West St. Paul.

(16) The sixteenth council district consists of the counties of Carver and Scott; that part of the county of Dakota consisting of the city of Lakeville; and that part of the county of Hennepin consisting of the cities of Deephaven, Eden Prairie, Excelsior, Greenwood, Long Lake, Minnetonka Beach, Mound, Orono, Shorewood, Spring Park, Tonka Bay, and Woodland; that part of the city of Chanhassen lying in the county of Hennepin; and that part of the city of Bloomington described as follows: commencing at the intersection of the center line of France avenue south with the north city limits, extending southerly along the center line of France avenue south to the center line of One Hundred Second street west, extending westerly along the center line of One Hundred Second street west to the center line of Johnson avenue south, extending southerly along the center line of Johnson avenue south to the Minneapolis, Northfield, and Southern railroad right of way, extending southwestwardly along the Minneapolis, Northfield and Southern railroad right of way to the center line of Normandale boulevard, extending southerly along the center line of Normandale boulevard to the south city limits, and extending westerly, northerly, and easterly, along the city limits to the point of origin.

*Subd. 3a. [OATH OF OFFICE.] Each member of the council shall qualify by taking and subscribing the oath of office prescribed by the Constitution, Article 5, Section 6. The oath, duly certified by the official administering it, shall be filed with the secretary of the council.*

*Subd. 3b. [VACANCIES.] If the office of any elected member becomes vacant, a successor shall be selected by the council, to serve until after a member is elected at the next general election. The term of an elected successor shall commence on the day of the next regular meeting of the council following his election and continue for the remainder of the term of the elected member being replaced.*

*Subd. 3c. [ELECTIONS, PROCEDURE.] Any eligible person desiring to be a candidate for the council from any district shall file an affidavit of candidacy in the manner and within the time prescribed by section 202A.22 and pay a filing fee in the amount of \$20. The candidate shall state in his affidavit that on election day he will have resided within the state not less than one year and in the district from which he seeks election for not less than six months. The primary and general elections shall be conducted in accordance with the provisions of Minnesota election law. The names of the candidates shall be placed on a partisan ballot at the primary election and the names of the nominees at the primary election shall be placed on the official partisan ballot for the ensuing general election.*

*Subd. 4. [CHAIRMAN; APPOINTMENT, DUTIES.] (a) The chairman of the metropolitan council shall be appointed by the governor as the 17th voting member thereof by and with the advice and consent of the senate to serve at his pleasure. He shall be a person experienced in the field of municipal and urban affairs with administrative training and executive ability.*

*(b) The chairman of the metropolitan council shall preside at the meetings of the metropolitan council and shall act as principal*

executive officer. He shall organize the work of the metropolitan council, appoint all officers and employees thereof, subject to the approval of the metropolitan council, and be responsible for carrying out all policy decisions of the metropolitan council. His salary and expense allowances shall be fixed by the metropolitan council.

Subd. 5. [METROPOLITAN COUNCIL; DUTIES AND COMPENSATION.] The metropolitan council shall elect such officers as it deems necessary for the conduct of its affairs other than the chairman. A secretary and treasurer need not be members of the metropolitan council. Meeting times and places shall be fixed by the metropolitan council and special meetings may be called by a majority of the members of the metropolitan council or by the chairman thereof. Each metropolitan council member other than the chairman shall be paid a *per diem* compensation of about \$50 for each meeting and for such other services as authorized by the metropolitan council at the same salary as state legislators, and shall be reimbursed for his reasonable expenses in the same manner and amount as state employees.

In the performance of its duties the metropolitan council may promulgate rules governing its operation, establish committees, divisions, departments and bureaus and staff the same as necessary to carry out its duties and when specifically authorized by law make appointments to other governmental agencies and districts. All officers and employees of the metropolitan council shall serve at the pleasure of the appointing authority in the unclassified service of the state civil service. Rules promulgated by the metropolitan council shall be in accordance with the administrative procedure provisions contained in chapter 15.

Subd. 6. [EXECUTIVE DIRECTOR.] Upon the recommendation of the chairman the metropolitan council may appoint an executive director to serve at his pleasure as the principal operating administrator for the metropolitan council. He may be chosen from among the citizens of the nation at large, and shall be selected on the basis of his training and experience in the field of municipal and urban affairs.

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 473.141, Subdivision 3, is amended to read:

Subd. 3. [CHAIRMAN.] The chairman of each commission shall be appointed by the ~~governor~~ chairman of the council with the ~~advice and consent~~ approval of the senate council and shall be the ninth voting member of the commission and shall meet all qualifications established for members, except the chairman need only reside within the metropolitan area. The chairman shall preside at all meetings of the commission, if present, and shall perform all other duties and functions assigned to him by the commission or by law. Each commission may appoint from among its members a vice-chairman to act for the chairman during his temporary absence or disability.

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 473.146, Subdivision 4, is amended to read:

Subd. 4. The metropolitan council shall be 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 in fulfillment of the planning responsibilities of the council and the commission.~~

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 473.249, Subdivision 1, is amended to read:

473.249 [TAX LEVY.] Subdivision 1. The metropolitan council may levy a tax on all taxable property in the counties named in section 473.121 to provide funds for the purposes of sections 473.121 to 473.249, *and for the purpose of carrying out other responsibilities of the council as provided by law.* The tax shall not exceed ~~seven thirtieths~~ *three-tenths* of one mill on each dollar of assessed valuation of all such taxable property, and shall be levied and collected in the manner provided by section 473.08.

Sec. 5. Minnesota Statutes 1974, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination for election or election to any statewide office or legislative office, other than a federal office for which candidates are required to report under federal laws. The term candidate shall also include supreme court and district court judges of the state, *and an individual who seeks nomination for election or election to the metropolitan council.* An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his consent, implicit or explicit, for any other person to receive contributions or make expenditures in excess of \$100 with a view to bringing about his nomination for election or election to an office.

Sec. 6. Minnesota Statutes 1974, Section 10A.17, Subdivision 3, is amended to read:

Subd. 3. The treasurer or deputy treasurer of a political committee may make an authorization for petty cash in any reporting period of not more than \$100 per week for statewide elections and \$20 per week in legislative elections *and metropolitan council elections* to be used for miscellaneous expenditures.

Sec. 7. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for legislative candidates *and candidates for metropolitan council*, and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year of each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b);

(d) The name and address of each political committee, political fund or candidate from which the reporting committee or fund received, or to which that committee made, any transfer of funds, together with the amounts and dates of all transfers. The lists shall be in alphabetical order;

(e) Each loan to or from any person within the year in an aggregate amount or value in excess of \$100, together with the full names and mailing address, occupations and the principal places of business, if any, of the lender or endorsers, if any, and the date and amount of the loans;

(f) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (e);

(g) The total sum of all receipts by or for the political committee or political fund during the reporting period;

(h) The name, address, occupation and the principal place of business, if any, of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made;

(i) The sum of individual expenditures which is not otherwise reported under clause (h);

(j) The name, address, occupation and the principal place of business, if any, of each person to whom an expenditure for personal services, salaries, and reimbursable expenses in excess of \$100 has been made, and which is not otherwise reported, including the amount, date and purpose of the expenditure;

(k) The sum of individual expenditures for personal services, salaries and reimbursable expense which is not otherwise reported under (j);

(l) The total expenditures made by the political committee or political fund during the reporting period;

(m) The amount and nature of debts and obligations owed by or to the political committee or political fund, and a continuous reporting of their debts and obligations after the election until the debts and obligations are extinguished;

(n) The amount and nature of any contract, promise or agreement, in writing, whether or not legally enforceable, to make a contribution or expenditure;

(o) The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 8. Minnesota Statutes 1974, Section 10A.20, Subdivision 5, is amended to read:

Subd. 5. In any statewide election any contribution or contributions from a person or association totaling \$2,000 or more, or in any legislative election or *metropolitan council election*, any contribution of \$200 or more, received after the period covered in the last report prior to an election and prior to the election shall be reported to the commission by telegram within 48 hours after its receipt and in the next required report.

Sec. 9. Minnesota Statutes 1974, Section 10A.21, Subdivision 1, is amended to read:

10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision 1. All reports or statements that must be filed with the commission by the principal campaign committee of legislative candidates and candidates for *metropolitan council* shall also be filed with the county auditor of each county in which the legislative or *metropolitan council* district lies.

Sec. 10. Minnesota Statutes 1974, Section 10A.22, Subdivision 5, is amended to read:

Subd. 5. A political committee or political fund making an expenditure, other than a transfer of funds, for or on behalf of more than one candidate for state or legislative office or *membership on the metropolitan council* shall allocate the expenditure among the candidates on a reasonable cost basis and report this allocation for each candidate. The treasurer shall retain for audit any documents supporting the allocation.

Sec. 11. *This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*"

Re-number the remaining section

Amend the title as follows:

Line 2, after the semicolon insert: "providing for the election of council members; modifying certain council duties;"

Line 6, after "amending" insert "Minnesota Statutes 1974, Sections 10A.01, Subdivision 5; 10A.17, Subdivision 3; 10A.20, Subdivisions 3 and 5; 10A.21, Subdivision 1; 10A.22, Subdivision 5; Minnesota Statutes, 1975 Supplement, Sections 473.123; 473.141, Subdivision 3; 473.146, Subdivision 4; 473.249, Subdivision 1;"

Mr. Coleman moved to amend the Schaaf amendment to S. F. No. 855 as follows:

Page 2, line 28, after the period insert "*The council shall submit to the legislature, by February 15, 1981, a proposed redistricting plan for 25 council districts, based upon the 1980 federal census.*"

Page 16, strike the new language in line 24 and insert "*an annual salary of \$22,500*"

Page 18, after section 3 and before section 4, insert:

"Sec. 4. Minnesota Statutes, 1975 Supplement, Section 473.163, Subdivision 1, is amended to read:

473.163 [METROPOLITAN COMMISSION BUDGET PREPARATION; REVIEW AND APPROVAL.] Subdivision 1. Each metropolitan commission shall prepare a proposed budget for calendar year 1976 and each calendar year thereafter. The proposed budget shall be prepared on or before August 1, 1975 and each year thereafter. The budget shall show for each such year:

(a) The estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service; and

(b) Capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated costs of capital improvements to be paid out or expended during the year; all in such detail and form as the council may prescribe; and

(c) *The amount of funds required by the commission from the levy provided in section 473.249.*

Sec. 5. Minnesota Statutes, 1975 Supplement, Section 473.163, Subdivision 2, is amended to read:

Subd. 2. Between August 1 and September 1 of each year, the commission shall hold a public hearing on the proposed budget. Not less than 14 days before the hearing, the commission shall publish notice thereof in a newspaper having general circulation in the metropolitan area, stating the date, time and place of hearing, and the place where the proposed budget may be examined by any interested person. ~~Those parts of The budget relating to revenues and expenditures for capital improvements shall be submitted to the council on or before August 1 of each year and shall be subject to approval by the council. The council shall act to approve or disapprove the budget in whole or in part by October 1 of each year. Before December 15 of each year the commission, after obtaining and in conformance with approval of the council for any changes in the capital improvements budget, shall by resolution adopt a final budget. Each commission shall file its final budget with the council on or before December 20 of each year. Except in an emergency, for which procedures shall be es-~~

established by the commission, the commission and its officers, agents and employees shall not spend money for any purpose, other than debt service, without an appropriation by the commission or in excess of the amount appropriated therefor, and no obligation to make such an expenditure shall be enforceable except as the obligation of the person or persons incurring it. The creation of any debt obligation or the receipt of any federal or state grant is a sufficient appropriation of the proceeds for the purpose for which it is authorized, and of the tax or other revenues pledged to pay the obligation and interest on it whether or not specifically included in any annual budget. The commission may, after obtaining approval of the council, amend the capital improvements budget at any time by transferring any appropriation from one purpose to another, except appropriations of the proceeds of bonds issued for a specific purpose. The council shall file the budgets of all commissions with the secretary of the senate and the clerk of the house of representatives not later than January 15 of each year.

Sec. 6. Minnesota Statutes, 1975 Supplement, Section 473.163, Subdivision 4, is amended to read:

Subd. 4. Thirty days prior to the establishment of or change in any user charges or fees or schedule of user charges or fees the metropolitan commission shall forthwith submit proposed charges or fees or schedule to the council *for approval*. The council shall review ~~and comment upon~~ the charges, fees or schedule with particular reference to (1) their consistency with the development guide and policy plan, and (2) their fiscal impact on the metropolitan area, especially their impact on future debt service requirements, the financing of future capital improvements, and on the various local governmental units and classes of users. Upon a request from any local governmental unit, the council shall hold a public hearing for the purpose of receiving testimony from local governmental units and the public prior to commenting upon the establishment or change in any user charges, fees, or schedules. *The council may approve the changes in whole or in part and may require modifications in the proposed changes.* On or before January 15 of each year, the council shall transmit the charges, user fees or schedules of all commissions and its comments thereon to the secretary of the senate and chief clerk of the house of representatives."

Page 18, line 11, strike "Subdivision 1."

Page 18, line 15, strike "473.121 to 473.249" and insert "chapter 473"

Page 18, after line 20, insert

"Subd. 2. ~~This section applies to taxes levied in 1960 and subsequent years. Commencing with the levy in 1979, payable in 1980, the levy in this section may be in an amount not to exceed two and fifty-two-one hundredth mills within the transit taxing district and ninety-seven-hundredth mills outside of the transit taxing district.~~"

At the end of the section, insert "The council shall annually appropriate to each metropolitan commission the amounts pro-

*vided for in the commission budget as approved by the council. Nothing herein shall affect the obligations of the council to pay, when due, the principal and interest on bonds issued pursuant to section 473.325."*

Page 18, after line 20, insert:

"Sec. 8. Minnesota Statutes, 1975 Supplement, Section 473.325, Subdivision 2, is amended to read:

Subd. 2. The metropolitan council shall sell and issue such bonds in the manner provided in chapter 475, and shall have the same powers and duties as a municipality issuing bonds under that law, except that the approval of a majority of the electors shall not be required and the net debt limitations therein shall not apply. The terms of each series of such bonds shall be fixed so that the amount of principal and interest on all outstanding and undischarged bonds, together with the bonds proposed to be issued, due in any year shall not exceed ~~5 mills~~ *an amount as determined by the council, provided that the levy in any year shall be paid out of the taxes levied in section 4 of this act times the assessed value of all taxable property in the metropolitan area as last finally equalized prior to a proposed issue.* The bonds shall be secured in accordance with section 475.61, subdivision 1, and any taxes required for their payment shall be levied by the council, shall not affect the amount or rate of taxes which may be levied by the council for other purposes, shall be spread against all taxable property in the metropolitan area, and shall not be subject to limitation as to rate or amount. Any taxes certified by the council to the county auditors for collection shall be reduced by the amount received by the council from the commissioner of finance or the federal government for the purpose of paying the principal and interest on bonds to which the levy relates. The council shall certify the fact and amount of all money so received to the county auditors, and the auditors shall reduce the levies theretofore made for such bonds in the manner and to the extent provided in section 475.61, subdivision 3.

Sec. 9. Minnesota Statutes, 1975 Supplement, Section 473.446, Subdivision 1, is amended to read:

473.446 [TRANSIT TAX LEVIES.] Subdivision 1. [AMOUNT.] For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, the metropolitan transit commission may levy upon all taxable property within the metropolitan transit taxing district, defined herein, a transit tax, which shall not in any year exceed the sum of the following:

(a) An amount equal to 1.72 mills times the assessed value of all such property some or all of the proceeds of which may be used to provide for the full and timely payment of its certificates of indebtedness and other obligations of the commission to which collections of the wheelage tax and replacement property tax under section 473.443 have been pledged, plus any amount needed for compliance with any final judgment of a court of competent jurisdiction requiring payment of any amount of the wheelage tax levied by the commission for 1971 and prior years, plus

(b) (a) Such 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 to which property taxes under this section have been pledged, provided that the amount of principal and interest to come due on such obligations shall not exceed \$3,000,000 in any year; plus an additional amount not to exceed \$2,000,000 in any one year to be used exclusively to provide for the full and timely payment of certificates of indebtedness and other obligations issued for the purposes of the bus service expansion report as adopted by the metropolitan transit commission on February 20, 1974, to which property taxes under this section have been pledged;

(c) (b) Nothing in this section shall be construed as providing funding for the preliminary engineering, consultant studies, or construction of a regional fixed guideway system."

Page 22, after line 18, insert:

"Sec. 16. On January 1, 1981, there shall be transferred in a manner provided for by law, from the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington to the council all of the powers and duties of the counties relating to health, welfare, libraries, and parks."

Sec. 17. Minnesota Statutes, 1975 Supplement, Section 473.446, Subdivision 1a, is repealed.

Sec. 18. Sections 4, 5, 6, 8 and 9 of this act shall be effective on January 1, 1979."

Renumber the sections in sequence

Further amend the title as follows:

Line 2, after "duties;" insert "transferring certain functions from the counties to the council;"

Line 6, after "Subdivision 4;" insert "473.163, Subdivisions 1, 2 and 4"

Line 6, after "473.249" strike ", Subdivision 1" and insert "; 473.-325, Subdivision 2; 473.446, Subdivision 1"

The question being taken on the adoption of the Coleman amendment to the Schaaf amendment,

And the roll being called, there were yeas 19 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	McCutcheon	Perpich, A. J.	Stumpf
Coleman	Jensen	Ogdahl	Pillsbury	Tennessee
Davies	Kleinbaum	Olson, A. G.	Solon	Wegener
Doty	Laufenburger	Olson, J. L.	Stassen	

Those who voted in the negative were:

Anderson	Berg	Brataas	Conzemius	Gearty
Arnold	Bernhagen	Brown	Dunn	Hansen, Baldy
Bang	Blatz	Chenoweth	Fitzsimons	Hansen, Mel

Hanson, R.	Knutson	Nelson	Patton	Spear
Hughes	Kowalczyk	North	Purfeerst	Stokowski
Humphrey	Merriam	Olhoft	Renneke	Ueland
Keefe, J.	Milton	Olson, H. D.	Schaaf	Willet
Keefe, S.	Moe	O'Neill	Schmitz	

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

Mr. Schmitz moved to amend the Schaaf amendment to S. F. No. 855 as follows:

Page 2, strike lines 17 to 28 and insert: "*Commencing January 1, 1979, the members of the council shall be selected as provided in subdivision 3c to three-year terms.*"

Page 3, line 13, strike "Sixteen" and insert "*Fifteen*"

Page 3, line 17, after the stricken word "advice" insert "*selected as provided in subdivision 3c by and with the advice*"

Page 3, line 18, reinstate the stricken language and strike the new language

Page 15, strike lines 2 to 7, and insert:

*"Subd. 3b. [VACANCIES.] If the office of any member becomes vacant, a member shall be selected in the same manner as the original appointee, to fill out the remainder of the term."*

Page 15, strike lines 9 to 21, and insert:

*"Subd. 3c. [SELECTION OF COUNCIL MEMBERS.] Commencing in January, 1979, the members of the metropolitan council shall be selected from among the generalized planning areas provided in the development framework guide adopted by the metropolitan council in 1974 as follows:*

*(a) One representative selected by the county board of each metropolitan county;*

*(b) One member appointed by each of the city councils of Minneapolis and St. Paul;*

*(c) Three representatives from the inner ring suburbs; to be appointed by the inner ring suburb city mayors;*

*(d) Two representatives from the developing suburbs; appointed by the mayors of the developing ring cities;*

*(e) Two representatives from the free standing growth centers; appointed by the mayors of the free standing growth center cities."*

Page 17, lines 5 and 6, strike "Upon the recommendation of the chairman the metropolitan council may" and insert "*The metropolitan council shall*"

Page 17, line 7, strike "his" and insert "*the*" and after "pleasure" insert "*of the council*"

The question being taken on the adoption of the Schmitz amendment to the Schaaf amendment,

And the roll being called, there were yeas 33 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Brown	Hansen, Baldy	Olson, H. D.	Sillers
Ashbach	Chmielewski	Hanson, R.	Olson, J. L.	Stassen
Bang	Conzemius	Jensen	Patton	Ueland
Berg	Doty	Josefson	Pillsbury	Wegener
Bernhagen	Dunn	Larson	Renneke	Willet
Blatz	Fitzsimons	Nelson	Schmitz	
Brataas	Frederick	Olhoft	Schrom	

Those who voted in the negative were:

Arnold	Humphrey	Merriam	O'Neill	Stokowski
Chenoweth	Keefe, S.	Milton	Perpich, A. J.	Stumpf
Coleman	Knutson	Moe	Purfeerst	Tennessee
Davies	Kowalczyk	North	Schaaf	
Gearty	Laufenburger	Ogdahl	Solon	
Hughes	McCutcheon	Olson, A. G.	Spear	

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

#### MEMBERS EXCUSED

Pursuant to Rule 21, Mr. Tennessee moved that the following members be excused for a Conference Committee on S. F. No. 840:

Messrs. Jensen, Stokowski and Tennessee. The motion prevailed.

Mr. Hughes moved a substitute amendment to the Schaaf amendment to S. F. No. 855 as follows:

Page 2, after line 12, insert:

*"Sec. 2. [COMMITTEE TO STUDY GOVERNMENTAL STRUCTURE.] A joint committee, consisting of members of the House Local and Urban Affairs Committee, the Senate Metropolitan and Urban Affairs Committee, and the Governmental Operations Committees of House and Senate, is established to study governmental structure in the seven county metropolitan area.*

*The study shall include responsibility of city and county government, and the role and function of these units of government in relation to the metropolitan council.*

*The joint committee shall make a report to the 1977 session of the legislature."*

Amend the title as follows:

Line 6, after the semicolon, insert "providing for a joint committee to study governmental structure;"

The question being taken on the adoption of the Hughes substitute amendment,

And the roll being called, there were yeas 41 and nays 12, as follows:

## Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	North	Purfeerst
Arnold	Doty	Kleinbaum	Ogdahl	Schaaf
Ashbach	Dunn	Knutson	Olhoff	Spear
Bang	Gearty	Kowalczyk	Olson, A. G.	Stassen
Blatz	Hansen, Mel	Laufenburger	Olson, H. D.	Stumpf
Brataas	Hanson, R.	McCutcheon	Olson, J. L.	
Chenoweth	Hughes	Merriam	O'Neill	
Coleman	Humphrey	Milton	Patton	
Conzemius	Keefe, J.	Moe	Perpich, A. J.	

## Those who voted in the negative were:

Berg	Chmielewski	Nelson	Renneke	Schrom
Bernhagen	Frederick	Pillsbury	Schmitz	Willet
Brown	Josefson			

The motion prevailed. So the substitute amendment was adopted.

Mr. Schaaf moved to amend S. F. No. 855 as follows:

Page 2, after line 12, insert:

"Sec. 2. Minnesota Statutes, 1975 Supplement, Section 473.249, Subdivision 1, is amended to read:

473.249 [TAX LEVY.] Subdivision 1. The metropolitan council may levy a tax on all taxable property in the counties named in section 473.121 to provide funds for the purposes of sections 473.121 to 473.249, and for the purpose of carrying out other responsibilities of the council as provided by law. The tax shall not exceed ~~seven thirtieths~~ *three-tenths* of one mill on each dollar of assessed valuation of all such taxable property, and shall be levied and collected in the manner provided by section 473.08."

Amend the title as follows:

Page 1, line 7, before the period, insert "; and Minnesota Statutes, 1975 Supplement, Section 473.249, Subdivision 1"

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

S. F. No. 855: A bill for an act relating to metropolitan government; authorizing council regulations establishing standards and guidelines for determining matters of metropolitan significance to be adopted without specific legislative approval; providing for a joint committee to study governmental structure; amending Laws 1975, Chapter 13, Section 18, Subdivision 2.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 53 and nays 1, as follows:

## Those who voted in the affirmative were:

Anderson	Brown	Fitzsimons	Keefe, J.	Moe
Arnold	Chenoweth	Frederick	Keefe, S.	Nelson
Ashbach	Chmielewski	Gearty	Kleinbaum	North
Bang	Coleman	Hansen, Mel	Knutson	Ogdahl
Berg	Conzemius	Hanson, R.	Kowalczyk	Olson, A. G.
Bernhagen	Davies	Hughes	Laufenburger	Olson, H. D.
Blatz	Doty	Humphrey	McCutcheon	Olson, J. L.
Brataas	Dunn	Josefson	Merriam	O'Neill

Patton  
Perpich, A. J.  
Pillsbury

Purfeerst  
Renneke  
Schaaf

Schmitz  
Schrom  
Spear

Stassen  
Stumpf  
Wegener

Willet

Mr. Milton voted in the negative.

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

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 1963, No. 113 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 1963: A bill for an act relating to the operation of state government; raising base salaries for certain executive branch employees, judges and judicial branch employees; limiting possible increases for certain executive branch employees; requiring political subdivisions of the state to report certain salaries; providing for a report by the personnel board; amending Minnesota Statutes 1974, Sections 15A.081; 15A.083, as amended; 43.062, Subdivision 3; and 43.067; and Chapter 43, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 15A.081, Subdivision 1; repealing Minnesota Statutes 1974, Sections 15A.081, Subdivisions 1a and 4; 43.066; 43.069; and 487.05.

Mr. Gearty moved to amend S. F. No. 1963 as follows:

Page 7, line 10, strike "20" and insert "120"

Page 11, after line 1, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective July 1, 1976.*"

The motion prevailed. So the amendment was adopted.

Mr. McCutcheon moved to amend S. F. No. 1963 as follows:

Page 6, strike lines 4 and 5

Page 6, line 6, strike "*reporting to the board.*"

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

Mr. Nelson moved to amend S. F. No. 1963 as follows:

Page 10, after line 29, insert:

#### "Article IV

Section 1. Minnesota Statutes 1974, Section 471.705, Subdivision 1, is amended to read:

471.705 [MEETINGS OF GOVERNING BODIES; OPEN TO PUBLIC.] Subdivision 1. Except as otherwise expressly provided by statute, all meetings, including executive sessions, of *the house of representatives, the senate*, any state agency, board, commission or department when required or permitted by law to transact public business in a meeting, and the governing body of any school district however organized, unorganized territory, county, city, town, or other public body, and of any committee, subcommittee, board, department or commission thereof, shall

be open to the public, except meetings of the board of pardons, the Minnesota corrections authority. The votes of the members of *the house of representatives, the senate*, such state agency, board, commission or department or of such governing body, committee, subcommittee, board, department or commission on any action taken in a meeting herein required to be open to the public shall be recorded in a journal kept for that purpose, which journal shall be open to the public during all normal business hours where such records are kept. The vote of each member shall be recorded on each appropriation of money, except for payments of judgments, claims and amounts fixed by statute. This section shall not apply to any state agency, board, or commission when exercising quasi-judicial functions involving disciplinary proceedings."

Renumber the remaining article

Amend the title as follows:

Line 8, after "board;" insert "extending the open meeting law to the legislature;"

Line 11, after "43.067;" insert "471.705, Subdivision 1;"

The question being taken on the adoption of the amendment,

Mr. Nelson moved that those not voting be excused from voting. The motion did not prevail.

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

And the roll being called, there were yeas 32 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Doty	Josefson	North	Sillers
Bang	Dunn	Keefe, J.	Ogdahl	Spear
Berg	Fitzsimons	Kirchner	Olson, J. L.	Stassen
Bernhagen	Frederick	Knutson	O'Neill	Ueland
Blatz	Hansen, Mel	Kowalczyk	Patton	
Brataas	Hanson, R.	Larson	Pillsbury	
Brown	Jensen	Nelson	Renneke	

Those who voted in the negative were:

Anderson	Gearty	McCufcheon	Purfeerst	Tennessee
Arnold	Hansen, Baldy	Merriam	Schaaf	Wegener
Chenoweth	Hughes	Moe	Schmitz	Willet
Chmielewski	Humphrey	Olhoft	Schrom	
Coleman	Keefe, S.	Olson, A. G.	Solon	
Conzemius	Kleinbaum	Olson, H. D.	Stokowski	
Davies	Laufenburger	Perpich, A. J.	Stumpf	

The motion prevailed. So the amendment was adopted.

Mr. Schaaf moved to amend S. F. No. 1963 as follows:

Page 10, after line 29, insert:

*“Article IV*

Section 1. Minnesota Statutes, 1975 Supplement, Section 3.102, is amended to read:

3.102 [MEMBERS; EXPENSES.] Each member of the legislature shall be reimbursed for expenses incurred while engaged in official legislative business when the legislature is not in session during his term of office. The amount of each reimbursement shall not exceed \$33 per day as a per diem expense allowance for all expenses incurred except travel and lodging. The member shall also be reimbursed for travel and lodging. Reimbursement for expenses shall be in the same manner and amount as for state employees; provided, that a member of the legislature who, because of travel inconvenience, elects to reside in the vicinity of the capitol during a legislative session, shall also be reimbursed for vouchered lodging expenses incurred during the session. The vouchered lodging expenses shall not exceed \$25 a day and shall be subject to limitations prescribed by the committee on rules and administration for members of the senate, and the committee on rules and legislative administration for members of the house.

Expenses for members of the legislature are payable in the manner and in the amount designated by the senate committee on rules and administration as to members of the senate and by the committee on rules and legislative administration as to members of the house of representatives.

The expense allowances provided for herein to the persons designated are in lieu of any other expenses authorized by law or resolution for the same purposes.”

Renumber the articles in sequence

Page 10, line 31, after “.]” insert “Subdivision 1.”

Page 11, after line 1, insert:

*“Subd. 2. Minnesota Statutes 1974, Sections 3.101 and 3.103 are repealed.”*

Page 11, after line 1, insert:

*“Sec. 2. Article IV and Article V, Section 1, Subdivision 2, are effective January 4, 1977.”*

Amend the title as follows:

Line 6, after the semicolon, insert “removing per diems and providing expenses for legislators;”

Line 12, strike “Section” and insert “Sections 3.102; and”

Line 14, after “Sections” insert “3.101; 3.103;”

Mr. Dunn moved to amend the Schaaf amendment to S. F. No. 1963 as follows:

Page 1, line 6, after the period insert:

*“During times other than a legislative session, this expense reimburse-*

ment shall only be available for attendance at a meeting of a standing or interim legislative committee or commission."

The question being taken on the adoption of the Dunn amendment to the Schaaf amendment,

And the roll being called, there were yeas 52 and nays 4, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Keefe, J.	Olson, A. G.	Solon
Ashbach	Doty	Kirchner	Olson, J. L.	Spear
Bang	Dunn	Kleinbaum	O'Neill	Stassen
Berg	Fitzsimons	Knutson	Patton	Stokowski
Bernhagen	Frederick	Kowalczyk	Perpich, A. J.	Stumpf
Blatz	Gearty	Larson	Pillsbury	Tennessee
Brataas	Hansen, Mel	Laufenburger	Purfeerst	Ueland
Brown	Hanson, R.	McCutcheon	Renneke	Willet
Chmielewski	Humphrey	Moe	Schaaf	
Coleman	Jensen	Nelson	Schmitz	
Conzemius	Josefson	Ogdahl	Sillers	

Messrs. Chenoweth; Keefe, S.; Merriam and North voted in the negative.

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

The question being taken on the adoption of the Schaaf amendment, as amended,

And the roll being called, there were yeas 23 and nays 42, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Hansen, Mel	McCutcheon	Stokowski
Bang	Brown	Josefson	Milton	Ueland
Berg	Chenoweth	Keefe, J.	Pillsbury	Willet
Bernhagen	Dunn	Kirchner	Schaaf	
Blatz	Frederick	Knutson	Stassen	

Those who voted in the negative were:

Anderson	Hansen, Baldy	Laufenburger	Olson, H. D.	Sillers
Arnold	Hanson, R.	Lewis	Olson, J. L.	Solon
Chmielewski	Hughes	Merriam	O'Neill	Spear
Coleman	Humphrey	Moe	Patton	Stumpf
Conzemius	Jensen	Nelson	Perpich, A. J.	Tennessee
Davies	Keefe, S.	North	Purfeerst	Wegener
Doty	Kleinbaum	Ogdahl	Renneke	
Fitzsimons	Kowalczyk	Olhoft	Schmitz	
Gearty	Larson	Olson, A. G.	Schrom	

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

Mr. Coleman moved to amend S. F. No. 1963 as follows:

Page 9, line 2, strike "36,000" and insert "37,500"

Page 9, line 25, strike "\$32,000" and insert "\$35,000"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 39 and nays 25, as follows:

Those who voted in the affirmative were:

Arnold	Frederick	Kleinbaum	O'Neill	Solon
Ashbach	Gearty	Knutson	Patton	Spear
Blatz	Hansen, Mel	Larson	Perpich, A. J.	Stassen
Brataas	Hughes	Laufenburger	Pillsbury	Stokowski
Coleman	Humphrey	Lewis	Purfeerst	Tennessee
Davies	Jensen	Nelson	Schaaf	Ueland
Doty	Keefe, J.	Ogdahl	Schmitz	Wegener
Fitzsimons	Keefe, S.	Olson, H. D.	Sillers	

Those who voted in the negative were:

Anderson	Chenoweth	Hanson, R.	Milton	Olson, J. L.
Bang	Chmielewski	Josefson	Moe	Renneke
Berg	Conzemius	Kirchner	North	Schrom
Bernhagen	Dunn	Kowalczyk	Olhoff	Stumpf
Brown	Hansen, Baldy	Merriam	Olson, A. G.	Willet

The motion prevailed. So the amendment was adopted.

Mr. Chmielewski moved to amend S. F. No. 1963 as follows:

Page 10, after line 30, insert:

*"Section 1. No employee of the legislature shall be compensated at a rate greater than that of a legislator."*

Renumber the remaining sections in sequence

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 4 and nays 61, as follows:

Messrs. Chmielewski; Olson, A. G.; Schrom and Willet voted in the affirmative.

Those who voted in the negative were:

Anderson	Davies	Keefe, S.	North	Sillers
Arnold	Doty	Kirchner	Ogdahl	Solon
Ashbach	Dunn	Kleinbaum	Olhoff	Spear
Bang	Fitzsimons	Knutson	Olson, H. D.	Stassen
Berg	Frederick	Kowalczyk	Olson, J. L.	Stokowski
Bernhagen	Gearty	Larson	O'Neill	Stumpf
Blatz	Hansen, Baldy	Laufenburger	Patton	Tennessee
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Ueland
Brataas	Hanson, R.	McCutcheon	Pillsbury	Wegener
Brown	Hughes	Merriam	Purfeerst	
Chenoweth	Humphrey	Milton	Renneke	
Coleman	Jensen	Moe	Schaaf	
Conzemius	Keefe, J.	Nelson	Schmitz	

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

Mr. Berg moved to amend S. F. No. 1963 as follows:

Page 2, line 3, strike "30,000" and insert "34,000"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 18 and nays 39, as follows:

## Those who voted in the affirmative were:

Anderson	Fitzsimons	Laufenburger	Patton	Ueland
Berg	Frederick	Nelson	Renneke	Wegener
Bernhagen	Hanson, R.	Olson, H. D.	Schaaf	
Dunn	Josefson	Olson, J. L.	Schmitz	

## Those who voted in the negative were:

Arnold	Doty	Kleinbaum	Moe	Schrom
Brataas	Gearty	Knutson	North	Spear
Brown	Hansen, Baldy	Kowalczyk	Ogdahl	Stassen
Chenoweth	Hughes	Larson	Olhoff	Stokowski
Chmielewski	Humphrey	Lewis	Olson, A. G.	Stumpf
Coleman	Keefe, J.	McCutcheon	O'Neill	Tennessee
Conzemius	Keefe, S.	Merriam	Perpich, A. J.	Willet
Davies	Kirchner	Milton	Pillsbury	

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

Mr. Keefe, J. moved to amend S. F. No. 1963 as follows:

Pages 1 to 5, strike sections 1 and 2 of Article I

Re-number the sections in sequence

Amend the title as follows:

Line 3, strike "certain executive branch"

Line 4, strike "employees,"

Line 10, strike "43.062, Subdivision 3;"

Line 11, strike the second "and"

Strike line 12

Line 13, strike "15A.081, Subdivision 1;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 7 and nays 49, as follows:

## Those who voted in the affirmative were:

Dunn	Keefe, J.	Kowalczyk	Merriam	Stassen
Hanson, R.	Knutson			

## Those who voted in the negative were:

Anderson	Davies	Kirchner	Ogdahl	Schmitz
Arnold	Doty	Kleinbaum	Olhoff	Schrom
Berg	Fitzsimons	Larson	Olson, H. D.	Solon
Bernhagen	Gearty	Laufenburger	Olson, J. L.	Spear
Borden	Hansen, Baldy	Lewis	O'Neill	Stokowski
Brown	Hansen, Mel	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Hughes	Milton	Pillsbury	Tennessee
Chmielewski	Humphrey	Moe	Purfeerst	Wegener
Coleman	Jensen	Nelson	Renneke	Willet
Conzemius	Keefe, S.	North	Schaaf	

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

S. F. No. 1963: A bill for an act relating to the operation of state government; raising base salaries for certain executive branch employees, judges and judicial branch employees; limiting possible increases for certain executive branch employees; requiring political subdivisions of the state to report certain salaries; providing for a report by the personnel board; extending the open meeting law to the legislature; amending Minnesota Statutes 1974, Sections 15A.081; 15A.083, as amended; 43.062, Subdivision 3; and 43.067; 471.705, Subdivision 1; and Chapter 43, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 15A.081, Subdivision 1; repealing Minnesota Statutes 1974, Sections 15A.081, Subdivisions 1a and 4; 43.066; 43.069; and 487.05.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 39 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Nelson	Solon
Arnold	Fitzsimons	Kirchner	Ogdahl	Spear
Ashbach	Gearty	Kleinbaum	Olson, H. D.	Stassen
Blatz	Hansen, Mel	Knutson	Olson, J. L.	Stokowski
Brataas	Hughes	Kowalczyk	O'Neill	Tennessee
Chenoweth	Humphrey	Larson	Perpich, A. J.	Ueland
Coleman	Jensen	Laufenburger	Pillsbury	Wegener
Davies	Keefe, J.	Lewis	Schmitz	

Those who voted in the negative were:

Bang	Chmielewski	Hanson, R.	North	Renneke
Berg	Conzemius	McCutcheon	Olhoft	Schaaf
Bernhagen	Dunn	Merriam	Olson, A. G.	Schrom
Borden	Frederick	Milton	Patton	Stumpf
Brown	Hansen, Baldy	Moe	Purfeerst	Willet

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

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 9:00 o'clock a.m., Wednesday, March 24, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINETY-SEVENTH DAY

St. Paul, Minnesota, Wednesday, March 24, 1976

The Senate met at 9:00 o'clock a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Anderson	Davies	Humphrey	Olson, A. G.	Spear
Arnold	Doty	Keefe, S.	Olson, J. L.	Stokowski
Ashbach	Dunn	Kirchner	Patton	Stumpf
Berg	Fitzsimons	Larson	Perpich, A. J.	Tennessee
Borden	Gearty	McCutcheon	Pillsbury	Ueland
Brataas	Hansen, Baldy	Milton	Purfeerst	Wegener
Brown	Hanson, R.	Moe	Schmitz	Willet
Coleman	Hughes	Olhoff	Schrom	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Mervin Dick.

The roll being called, the following Senators answered to their names:

Anderson	Davies	Keefe, S.	Ogdahl	Sillers
Arnold	Doty	Kirchner	Olhoff	Solon
Ashbach	Dunn	Kleinbaum	Olson, A. G.	Spear
Bang	Fitzsimons	Knutson	Olson, H. D.	Stassen
Berg	Frederick	Kowalczyk	Olson, J. L.	Stokowski
Bernhagen	Gearty	Larson	O'Neill	Stumpf
Blatz	Hansen, Baldy	Laufenburger	Patton	Tennessee
Borden	Hansen, Mel	Lewis	Perpich, A. J.	Ueland
Brataas	Hanson, R.	McCutcheon	Pillsbury	Wegener
Brown	Hughes	Merriam	Purfeerst	Willet
Chenoweth	Humphrey	Milton	Renneke	
Chmielewski	Jensen	Moe	Schaaf	
Coleman	Josefson	Nelson	Schmitz	
Conzemius	Keefe, J.	North	Schrom	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

### MEMBERS EXCUSED

Mr. Perpich, G. was excused from the Session of today. Mr.

Frederick was excused from the Session of today until 10:30 o'clock a.m.

#### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Solon introduced—

S. F. No. 2586: A bill for an act relating to public employment labor relations; clarifying and revising the powers and duties of the director of the bureau of mediation services and the public employment relations board; authorizing the director to decertify exclusive representatives and to clarify or amend appropriate bargaining units; authorizing the public employment relations board to obtain administrative services and staff subject to appropriation, and to issue notices, subpoenas and orders; eliminating the prescribed duration of teacher's contracts; revising the criteria for determining appropriate units; authorizing the appeal of certain decisions by the public employment relations board to the supreme court; revising the compensation of members of the public employment relations board and of arbitrators; eliminating the deadline for execution of contracts and the independent review of grievances; amending Minnesota Statutes 1974, Sections 179.61; 179.62; 179.63, Subdivisions 1, 6, 8, 9, 9a, 10, 11, 13, 14 and 17; 179.64, Subdivision 7; 179.65, Subdivisions 1, 2 and 6; 179.66, Subdivisions 5, 6 and 9; 179.67, Subdivisions 1, 4, 5, 6, 14 and by adding a subdivision; 179.68; 179.69, Subdivisions 1, 2 and 6; 179.70, Subdivision 1; 179.71, Subdivisions 2, 3, 4 and 5; 179.72, Subdivisions 1, 2, 3, 4, 6 and 7; 179.74, Subdivision 2; amending Minnesota Statutes, 1975 Supplement, Sections 15.0411, Subdivision 2; 179.74, Subdivision 4; repealing Minnesota Statutes 1974, Section 179.76.

Referred to the Committee on Labor and Commerce.

Messrs. Humphrey, Schaaf and Keefe, S. introduced—

S. F. No. 2587: A bill for an act relating to insurance; regulating cancellation, renewal, and reduction of coverage of residential insurance; amending Minnesota Statutes 1974, Sections 65A.01, Subdivision 3; and 65A.07.

Referred to the Committee on Labor and Commerce.

Mr. Perpich, A. J. introduced—

S. F. No. 2588: A bill for an act relating to taxation; providing local option to specified counties to receive property tax payments from state for state owned land; providing an appropriation.

Referred to the Committee on Taxes and Tax Laws.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the

following Senate File herewith returned: S. F. No. 357.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 23, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1097: A bill for an act relating to health; providing for pilot programs for dental care for senior citizens; establishing means of administration; subsidizing premiums to cover cost of services; appropriating money.

Senate File No. 1097 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 23, 1976

Mr. Tennesen moved that the Senate do not concur in the amendments by the House to S. F. No. 1097 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 2078: A bill for an act relating to metropolitan revenue distribution; changing the method of computing the taxable valuation of certain governmental units; amending Minnesota Statutes 1974, Section 473F.08, Subdivision 2.

Senate File No. 2078 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Purfeerst moved that the Senate concur in the amendments by the House to S. F. No. 2078 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 2078: A bill for an act relating to metropolitan revenue distribution; providing that the commissioner of revenue shall perform administrative functions; changing settlement dates and the method of computing the taxable valuation of governmental units; amending Minnesota Statutes 1974, Sections 473F.02, Subdivisions 7, 11 and 12; 473F.06; 473F.08, Subdivisions 2, 3, 7 and 8; 473F.12, Subdivisions 2 and 4; 473F.13, Subdivisions 1 and 2; repealing Minnesota Statutes 1974, Sections 473F.02, Subdivision

6; 473F.03; 473F.07, Subdivision 2; and 473F.08, Subdivision 9.

Was read the third time, as amended by the House and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Keefe, S.	Olson, A. G.	Schrom
Arnold	Gearty	Kirchner	Olson, H. D.	Sillers
Berg	Hansen, Baldy	Kleinbaum	Olson, J. L.	Spear
Bernhagen	Hansen, Mel	Larson	O'Neill	Stassen
Brataas	Hanson, R.	Merriam	Patton	Stokowski
Brown	Hughes	Milton	Perpich, A. J.	Stumpf
Chmielewski	Humphrey	Moe	Pillsbury	Tennessen
Conzemius	Jensen	Nelson	Purfeerst	Willet
Davies	Josefson	Ogdahl	Renneke	
Dunn	Keefe, J.	Olhoft	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 819: A bill for an act relating to taxation; providing for public financing in political campaigns; increasing the tax credit for political contributions; amending Minnesota Statutes 1974, Section 290.06, Subdivision 11.

Senate File No. 819 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 23, 1976

Mr. Stumpf moved that the Senate do not concur in the amendments by the House to S. F. No. 819 and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1530: A bill for an act relating to wild animals; establishing the expiration date of all game and fish licenses as the last day of February; authorizing the commissioner of natural resources to provide for the issuance of more than one game or fish license on con-

signment; establishing an issuing fee for such licenses; requiring sub-agents to be bonded; authorizing county auditors to retain a four percent commission on all license fees including surcharges; authorizing the commissioner of natural resources to issue regulations regulating to sub-agencies; amending Minnesota Statutes 1974, Sections 98.45, Subdivision 1; and 98.50, Subdivisions 1, 2, 3 and 5.

Senate File No. 1530 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 23, 1976

Mr. Kleinbaum moved that S. F. No. 1530 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2072:

H. F. No. 2072: A bill for an act relating to taxes on or measured by net income and on the sale of intoxicating liquors and to assessment of ad valorem taxes; appropriating funds; amending Minnesota Statutes 1974, Sections 4.12, Subdivision 4; 270.13; 273.138, Subdivisions 2 and 5; 276.05; 276.06; 290.06, Subdivision 9a; 290.066, Subdivision 1; 340.51; 340.55; and Chapters 256 and 273, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 270.16, Subdivision 2; 273.012, Subdivision 3; 273.11, Subdivision 2; 273.122, Subdivision 1; 273.13, Subdivisions 6, 7, and 14a; 273.17, Subdivision 1; 274.14; 276.04; 281.17; 290.01, Subdivision 20; 290.012, Subdivision 4; 290.21, Subdivision 4; 290A.03, Subdivisions 3, 7, 8, 12, and 13 and by adding a subdivision; 290A.04, Subdivisions 2 and 3; 290A.05; 290A.06; 290A.07, Subdivisions 1 and 2; 290A.14; 290A.19; and Chapter 290A, by adding a section; and Laws 1975, Chapter 349, Section 32; and Laws 1976, Chapter 5, Sections 2, Subdivision 1; and 3; repealing Minnesota Statutes 1974, Section 273.11, Subdivision 4, and Minnesota Statutes, 1975 Supplement, Section 124.03.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Kelly, W; Sabo; Anderson, I; Johnson, D. and Vanasek have been appointed as such committee on the part of the House.

House File No. 2072 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 23, 1976

Mr. Perpich, A. J. moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2072, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 500.

H. F. No. 500: A bill for an act relating to energy; energy commission, public members; providing for compensation and reimbursement of traveling and other expenses; amending Minnesota Statutes 1974, Section 116H.04, Subdivision 2.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Munger, Voss, Hanson, Luther and Biersdorf have been appointed as such committee on the part of the House.

House File No. 500 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 23, 1976

Mr. Humphrey moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 500, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 1051: A bill for an act relating to attorneys; providing for investigation of accusations against attorneys; amending Minnesota Statutes 1974, Section 481.15, by adding a subdivision.

There has been appointed as such committee on the part of the House:

Skoglund, Savelkoul and Parish.

Senate File No. 1051 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 23, 1976

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 1499: A bill for an act relating to the conduct of public officials and campaigns for public office; defining "lobbying"; redefining "lobbyist" and certain other terms; providing for the filing of certain reports and statements; providing penalties; amending Minnesota

Statutes 1974, Sections 10A.01, Subdivisions 2, 5, 7, 10 and 11, and by adding a subdivision; 10A.02, Subdivisions 1, 5, 8, and 11; 10A.04, Subdivision 4; 10A.07, Subdivision 1; 10A.09, Subdivision 5; 10A.11, Subdivision 6; 10A.14, Subdivision 2; 10A.19, Subdivision 1; 10A.20, Subdivisions 1, 2, and 3, and by adding a subdivision; 10A.21, Subdivision 1; 10A.22, Subdivision 5; 10A.23; 10A.25, Subdivisions 3, 6 and 7; 10A.27, Subdivision 3; repealing Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.20, Subdivision 4; 10A.22, Subdivisions 2 and 8.

There has been appointed as such committee on the part of the House:

Vento, Osthoff and Knickerbocker.

Senate File No. 1499 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 23, 1976

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File.

S. F. No. 1740: A bill for an act relating to counties; authorizing county boards to establish personnel departments; providing for county personnel administration on an integrated, merit basis.

There has been appointed as such committee on the part of the House:

Setzpfandt, McEachern and Friedrich.

Senate File No. 1740 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 23, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 60: A bill for an act relating to insurance; providing for the establishment and administration of plans of health insurance to provide certain minimum benefits to all persons in the state; creating a comprehensive health care association; providing a dual option for health care for certain employees; regulating health maintenance organizations' coverage of dental services and conversion privileges; appropriating money; amending Minnesota Statutes 1974, Section 62D.12, by adding a subdivision.

Senate File No. 60 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 23, 1976

Mr. Conzemius moved that the Senate do not concur in the amendments by the House to S. F. No. 60 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested.

S. F. No. 1156: A bill for an act relating to political subdivisions; authorizing direct loans to cities, counties and towns; amending Minnesota Statutes 1974, Chapter 465, by adding a section.

Senate File No. 1156 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 23, 1976

Mr. Sillers moved that S. F. No. 1156 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 2144 and 2683.

Edward A. Burdick, Chief Clerk House of Representatives

Transmitted March 23, 1976

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 2144: A bill for an act relating to the state transportation system; creating the Minnesota state transportation fund; appropriating money therefrom for construction and reconstruction of bridges and bridge approaches; authorizing the issuance of state bonds therefor pursuant to article XI of the constitution.

Referred to the Committee on Rules and Administration.

H. F. No. 2683: A bill for an act relating to claims against the state; appropriating moneys for the payment thereof.

Mr. Borden moved that H. F. No. 2683 be laid on the table. The motion prevailed.

#### REPORTS OF COMMITTEES

Mr. Davies moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2414 and 2215 for comparison to companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their Second Reading and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2414	2298				
2215	2293				

And that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2218, 1876 and 1984 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2218	2380				
1876	1971				
1984	1895				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2218 be amended as follows:

Page 1, lines 20 to 23 delete the underscored language

Page 2, delete lines 1 to 3 and insert *"Up to 75 percent provided by the state with the remainder of the cost to be financed by the counties served and by client fees in accordance with rules promulgated by the department of public welfare .*

Sec. 2. *This act is effective January 1, 1977."*

And when so amended, H. F. No. 2218 will be identical to S. F. No. 2380 and further recommends that H. F. No. 2218 be given its second reading and substituted for S. F. No. 2380 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1984 be amended as follows:

Delete page 1, line 11 to page 11, line 14 and insert:

*"Section 1. [PURPOSE.] In order to aid farmers in obtaining credit for the acquisition of farm real estate, there is established a family farm security program which shall provide state money in guarantee of loans made according to the provisions of sections 1 to 15.*

Sec. 2. [DEFINITIONS.] *Subdivision 1. For the purposes of this act the following terms shall have the meanings given.*

*Subd. 2. "Applicant" means a natural person applying for a family farm security loan.*

*Subd. 3. "Council" means the family farm advisory council.*

*Subd. 4. "Commissioner" means the commissioner of agriculture.*

*Subd. 5. "Family farm security loan" means a loan secured by a first real estate mortgage. It shall be used for acquisition of farm land and shall be approved by the commissioner. This loan shall be guaranteed and may qualify for a payment adjustment as defined in subdivision 10 and a seller-sponsored loan as defined in subdivision 8.*

*Subd. 6. "Farm land" means land in Minnesota that is capable of supporting the commercial production of agricultural crops, livestock or livestock products, poultry products, milk or dairy products, or fruit or other horticultural products.*

*Subd. 7. "Lender" means any bank, savings bank, mutual savings bank, building and loan association, savings and loan association, organized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other financial institutions subject to the supervision of the commissioner of banks; and any foreign or domestic corporation engaged in the business of insurance which is subject to the supervision of the commissioner of insurance as defined in Minnesota Statutes, Section 60A.02, Subdivisions 1 and 3; and any financial institution operating under the supervision of the farm credit administration. In case of seller-sponsored loans as authorized in section 8, "lender" also means the seller of the property.*

*Subd. 8. "Seller-sponsored loan" means a loan in which part or all of the purchase price of the farm is financed by a loan from the seller of the property, and the remainder of the loan, if any, is supplied by a lender as defined in subdivision 7. The annual interest on a seller-sponsored loan shall not exceed seven percent.*

*Subd. 9. "Family farm loan guarantee" means an agreement that in the event of default the state of Minnesota shall pay the lender all sums due and payable under the first real estate mortgage.*

*Subd. 10. "Payment adjustment" means an amount of money equal to four percent interest on the principal balance of the family farm security loan.*

Sec. 3. [ADMINISTRATION.] *Subdivision 1. The family farm security program shall be administered by the commissioner.*

*Subd. 2. [RULES.] The commissioner shall promulgate rules necessary for the efficient administration of sections 1 to 7; section 8, subdivisions 1 and 2; section 10, subdivisions 1 and 4; and section 15.*

*Subd. 3. [REPORT TO LEGISLATURE.] On or before January 1 of each year the commissioner shall submit a report to the legislature, as provided in Minnesota Statutes, Section 3.195, concerning the actions of the commissioner and the status of loans granted.*

*Sec. 4. [ADVISORY COUNCIL.] Subdivision 1. [COMPOSITION.] There is established a family farm advisory council composed of seven members appointed by the commissioner of agriculture as follows:*

- (a) Two officers from a commercial lending institution;*
- (b) One dairy farmer;*
- (c) One livestock farmer;*
- (d) One cash grain farmer;*
- (e) One officer from a farm credit association;*
- (f) One representative of consumers of food products who shall not be a farmer or lender.*

*Subd. 2. [TERMS AND COMPENSATION.] The council shall expire and the terms, compensation and removal of members of the council shall be governed by Minnesota Statutes, Section 15.059. The council shall meet monthly or more often as needed. Initial members shall be appointed for terms as follows: (a) for terms ending the first Monday in January, 1979: one officer from a commercial lending institution, the dairy farmer, the cash grain farmer, and the representative of consumers; and (b) for terms ending the first Monday in January, 1980: the remaining members.*

*Subd. 3. [CHAIRMAN.] The members of the council shall annually elect a chairman and other officers they deem necessary.*

*Subd. 4. [DUTIES.] The duties of the council shall be as follows:*

- (a) To review and appraise the family farm security program;*
- (b) To give advice and counsel to the commissioner regarding the family farm security program;*
- (c) To review all applications for family farm security loans and make recommendations to the commissioner as to their disposition;*
- (d) To make recommendations to the commissioner of agriculture, legislature and the public on or before December 31 of each year regarding any needed state policy or program changes to foster and promote the economic health and viability of the family farm.*

*Subd. 5. [STAFF; SERVICES.] The commissioner of agriculture shall provide the council with necessary staff, office space and administrative services.*

*Sec. 5. [ELIGIBILITY.] A family farm security loan approval may be granted if the following criteria are satisfied:*

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

(b) That the applicant has sufficient education, training, or experience in the type of farming for which he wishes the loan and continued participation in a farm management program, approved by the commissioner, for the duration of the family farm security loan;

(c) That the applicant and spouse have total net worth valued at less than \$50,000 and has demonstrated a need for the loan;

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

(e) That the applicant is credit worthy according to standards prescribed by the commissioner.

Sec. 6. [PROCEDURE.] Subdivision 1. [APPLYING FOR LOAN; LOAN DENIED.] Any person desiring to acquire farm land may make application with a lender for a family farm security loan. Upon completion of the appropriate forms by the applicant and the lender, the lender shall forward the application to the commissioner for approval. The commissioner shall prescribe a screening process to determine eligibility and he may arrange for local lenders to perform this function for the state. The commissioner may approve the application if the criteria of sections 5 and 7 are satisfied, and shall notify the applicant and the lender of his decision.

If the application is denied, the commissioner shall return the application to the lender with a written statement of the reasons for the denial. The applicant shall be given a copy of the reasons for the denial of the loan. If the circumstances of the applicant change such that he becomes eligible, he may reapply.

Subd. 2 [APPROVED LOANS.] If the commissioner approves the loan application, he shall retain a copy of the application for his files and return the original to the lender. The applicant and the lender may then complete the transaction for the loan.

Subd. 3. [PRIVACY OF RECORDS.] The information contained in an application and the statement of reasons for the denial of an application shall be private data on individuals as defined in Minnesota Statutes, Section 15.162.

Subd. 4. [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 another 90 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.

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. 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 become the holder of the mortgage and 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 proceedings in the manner provided by law. In the event that title to the property is acquired by the state, he shall arrange for fair market value appraisal of the farm land and shall accept applications from prospective purchasers who meet the criteria of sections 5 and 7 and have the support of a lender willing to finance the purchase. If an application is accepted by the commissioner, the property will be sold to the applicant and treated as though it were a new family farm security loan. If no buyer who is a qualified applicant can be found within 90 days at the fair market price as determined by the commissioner, the commissioner shall advertise the property and sell it to the highest bidder.*

*Subd. 5. [GUARANTEE VOID.] The loan guarantee shall be void only if the guaranteed loan was obtained by fraud or material misrepresentation of which the original lender or subsequent holder had actual knowledge.*

*Sec. 7. [TERMS OF THE LOAN.] Subdivision 1. A family farm security loan shall be transacted on forms provided by the commissioner with the advice of the attorney general. The commissioner shall establish an appraisal procedure and shall thereby determine the value of the property before guaranteeing a family farm security loan.*

*Subd. 2. [PAYMENT ADJUSTMENT.] To be eligible for payment adjustment a family farm security loan shall have a maximum term of 20 years and shall provide for payments at least annually so that the loan shall be amortized over its term with equal annual payments of principal and interest. During the first ten years of a family farm security loan, the commissioner shall annually pay to the lender four percent of the outstanding balance due at the beginning of that year and the applicant shall pay the remainder of the payment due. After the tenth year, the applicant shall make payments according to the stated interest rate. The applicant may petition the commissioner for one ten year renewal of the payment adjustment. If a renewal is granted, in the 21st year the applicant shall reimburse the commissioner for the sums paid on the applicant's behalf under this subdivision. If no renewal is granted, the applicant shall reimburse the commissioner in the 11th year for the sums paid on the applicant's behalf under this subdivision. The obligation to repay the payment adjustment shall be a lien against the property.*

*Subd. 3. [ANNUAL REVIEW OF NET WORTH.] The applicant and spouse shall annually submit to the commissioner a statement of their net worth. If their net worth in any year ex-*

ceeds the sum of \$100,000, the applicant shall be ineligible for a payment adjustment in that year.

Sec. 8. [SELLER-SPONSORED LOANS.] Subdivision 1. [AUTHORIZATION.] The commissioner may provide a guarantee to the lenders on seller-sponsored loans when the buyer satisfies the eligibility criteria in section 5. The commissioner may also provide a payment adjustment on behalf of the applicant in the case of seller-sponsored loans.

Subd. 2. [NEGOTIABILITY AND MARKETABILITY.] A seller-sponsored loan shall be secured by a purchase money first real estate mortgage evidenced by negotiable note or notes as defined in Minnesota Statutes, Section 336.3-104. The commissioner must be notified in writing within 30 days after a family farm security loan note is sold or exchanged.

Subd. 3. [TAXABILITY.] The interest earned by the seller of the property on a seller-sponsored loan that is guaranteed by the commissioner shall be excludable from gross income for the year in which it is received.

Sec. 9. Minnesota Statutes, 1975 Supplement, Section 290.08, is amended by adding a subdivision to read:

Subd. 23. The interest earned by the seller of the property on a seller-sponsored loan that is guaranteed by the commissioner of agriculture under the provisions of sections 1 to 15.

Sec. 10. [SALE OR CONVEYANCE.] Subdivision 1. [IMMEDIATE REPAYMENT OF LOAN.] Any applicant who sells or conveys the property for which a family farm security loan was issued shall immediately retire the entire indebtedness still owed to the lender and the commissioner. The new owner may negotiate a family farm security loan in his own right, but under no circumstances may the original loan be assumed by the new owner. This subdivision is not intended to prohibit the applicant from granting a security interest in the property for the purposes of securing an additional loan.

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

Subd. 2. [TAX PENALTY ON CAPITAL GAIN.] Minnesota Statutes, Chapter 290 shall apply to determine the amount of the gain realized on the sale of property for which a family farm security loan has been issued. The tax imposed by chapter 290 shall be imposed on the following percentages of any gain realized on the sale of the property:

	Time lapsed from issuance of loan		
	At least	but less than	Percent
(a)		1 year	100
(b)	1 year	3 years	90

(c)	3 years	5 years	80
(d)	5 years	7 years	70
(e)	7 years	9 years	60
(f)	9 years	10 years	50

*This tax shall no longer be applicable and the tax imposed by chapter 290 shall apply when the property for which a family farm security loan was issued has been held by the applicant for more than ten years after the issuance of the loan. Chapter 290 shall apply when the applicant has realized a loss on the sale of the property.*

**Sec. 11. [DISCRIMINATION PROHIBITED.]** *In carrying out their respective duties under this act, the council and the commissioner shall not discriminate between applicants because of race, color, creed, religion, national origin, sex, marital status, disability, political or ideological persuasion."*

Page 16, delete lines 22 to 27 and insert: "included in the measure of the tax imposed by this chapter ;

*(10) The interest on any payment adjustment received by the seller of the property on a seller-sponsored loan that is guaranteed by the commissioner of agriculture as provided by sections 5, 6, 7, and 8 of this act."*

Page 19, delete lines 5 to 11

Page 19, line 25, delete "section 9," and insert "section 10,"

Page 20, line 31, after "1977" insert a comma

Renumber the sections in order

Further amend the title as follows:

Page 1, line 6, delete "290.08, by adding a"

Page 1, line 7, delete "subdivision;"

Page 1, line 8, after "20;" insert "290.08, by adding a subdivision;"

And when so amended, H. F. No. 1984 will be identical to S. F. No. 1895 and further recommends that H. F. No. 1984 be given its second reading and substituted for S. F. No. 1895 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1876 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE PURPOSE.] The legislature finds and determines that integrated transportation systems, including railways, highways and airways, are necessary in order to meet the economic and energy needs of the citizens of the state.

both now and in the future. The legislature finds that a portion of the present railroad system in the state does not provide adequate service to citizens of the state. The legislature further finds and determines that it is in the best interest of the state to establish and fund a rail service improvement program and to establish a railroad planning process in order to preserve and improve essential rail service in the state.

Sec. 2. [CITATION.] Sections 1 to 9 may be cited as "the Minnesota rail service improvement act".

Sec. 3. [DEFINITIONS.] Subdivision 1. As used in sections 1 to 9, the terms defined in this section shall have the meanings given them herein.

Subd. 2. "Department" means the state planning agency.

Subd. 3. "Director" means the director of the state planning agency.

Subd. 4. "Rail line" means railroad roadbeds, track, track structure, and other appurtenances of railroad right-of-way.

Subd. 5. "Rail service" means rail transportation and local rail service.

Subd. 6. "Rail users" means shippers, consignors or other business entities that depend upon or benefit from the movement of goods and products by means of rail service.

Sec. 4. [RAIL SERVICE IMPROVEMENT FUND.] Subdivision 1. [DEPOSITS; APPROPRIATION.] The rail service improvement fund is created as a special account in the state treasury. All money appropriated to or received by the department for the purpose of rail service improvement, other than administrative costs, shall be deposited in this fund. All money so deposited is appropriated to the department for expenditure for rail service improvement in accordance with applicable federal law and subject to the expenditure restrictions provided in subdivision 2 of this section. Administrative costs for the rail service improvement program shall not be paid from the fund but shall be provided by direct appropriations to the department for this purpose.

Subd. 2. [EXPENDITURE RESTRICTIONS.] Direct appropriations to the rail service improvement fund, unless otherwise specified, shall be expended exclusively for rehabilitation of rail lines through contracts negotiated and entered into by the director. The participants in these contracts shall be railroads, rail users and the department, and may be political subdivisions of the state and the federal government. In such contracts, participation by all parties shall be voluntary.

Subd. 3. In making any contract pursuant to subdivision 2 the director may:

(a) Stipulate minimum operating standards for rail lines when improved, including speed, freight carrying capacity, and frequency of service;

(b) Require a portion of the total assistance for improving a rail line to be loaned to the railroad by rail users and require the railroad to reimburse rail users for any loan on the basis of use of the line and the revenues produced when the line has been improved;

(c) Determine the terms and conditions under which all or any portion of state funds allocated shall be repaid to the department by the railroads. Reimbursement may be made as a portion of the increased revenue derived from the improved rail line. Any reimbursement received by the department pursuant to this clause shall be deposited in the rail service improvement fund and shall be appropriated exclusively for rehabilitating other rail lines in the state; and

(d) Require, in lieu of reimbursement as provided in clause (c) of this subdivision, that the railroad establish and maintain a separate railroad fund to be used exclusively for rehabilitation of other rail lines in Minnesota, to which a portion of the increase in revenue derived from the improved rail line shall be credited. The terms and conditions for use of money in the fund shall be stipulated in the contract. The contract shall also stipulate a penalty for use of such money in a manner other than as set forth in the contract and require the railroad to report to the department at such times as the director requires, concerning the disbursement of money from the fund and the general status of rail line improvements.

Sec. 5. [RAIL SERVICE IMPROVEMENT PROGRAM.] Subdivision 1. There is created the rail service improvement program to provide assistance for improvement of rail service in the state.

Subd. 2. The director shall identify those rail lines that have deteriorated or are in danger of deteriorating so as to be unable to carry the speeds and weights necessary to efficiently transport the goods and products moved or sought to be moved on the lines.

Subd. 3. The director shall have all the powers necessary and convenient to implement the rail service improvement program, including the power to:

(a) Set priorities for the allocation of money or in kind contributions to railroads according to criteria developed by the director. The criteria shall include the anticipated economic and social benefits to the state and to the area being served;

(b) Negotiate and enter into contracts for rail line rehabilitation or other rail service improvement;

(c) Disburse state and federal money for rail service improvements;

(d) Adopt rules necessary to carry out the purposes of this act.

Sec. 6. [PARTICIPATION BY POLITICAL SUBDIVISIONS.] The governing body of any political subdivision of the state may with the approval of the director appropriate money for rail service improvement and may participate in the state rail service improvement program.

Sec. 7. [COOPERATION BETWEEN STATES.] The director may cooperate with other states in connection with the rail service improve-

ment program and the railroad planning process. In exercising the authority conferred by this section, the director may enter into contractual agreements with other states.

Sec. 8. [ACCEPTANCE OF FEDERAL MONEY.] The director may exercise those powers necessary for the state to qualify for, accept, and disburse any federal money that may be made available pursuant to the provisions of the federal rail revitalization and regulatory reform act of 1976, or any other federal law, including the power to;

(a) Establish an adequate plan for rail services in the state as part of an overall planning process for all transportation services in the state, including a suitable process for updating, revising, and amending the plan,

(b) Administer and coordinate the plan with other state agencies, and provide for the equitable distribution of resources,

(c) Develop, promote, and support safe, adequate and efficient rail transportation services; employ qualified personnel; maintain adequate programs of investigation, research, promotion and development, with provisions for public participation; and take all practical steps to improve transportation safety and reduce transportation related energy utilization and pollution,

(d) Adopt and maintain adequate procedures for financial control, accounting and performance evaluation in order to assure proper use of state and federal money,

(e) Do all things otherwise necessary to maximize federal assistance to the state under the federal rail revitalization and regulatory reform act of 1976 or other relevant federal legislation.

Sec. 9. [ACCESS TO INFORMATION.] The director may request any railroad to provide such information as necessary to carry out the purposes of this act. Railroads operating within the state shall provide such information within 60 days of the date of the request. The director may issue subpoenas to compel production of such information if not provided within the time required. The director shall exercise all necessary caution to avoid disclosure of confidential information supplied under this section.

Sec. 10. [APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund to the rail service improvement fund the sum of \$3,000,000.

Subd. 2. There is appropriated from the general fund to the state planning agency the sum of \$150,000 for administrative costs of the rail service improvement program, to be available until June 30, 1977.

Sec. 11. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Further, strike the title in its entirety and insert:

"A bill for an act relating to transportation; creating a rail service improvement fund; authorizing contractual agreements for

rail line rehabilitation; establishing a rail service improvement program; prescribing powers and duties of the director of the state planning agency; appropriating money.”

And when so amended, H. F. No. 1876 will be identical to S. F. No. 1971 and further recommends that H. F. No. 1876 be given its second reading and substituted for S. F. No. 1971 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 2414, 2215, 2218, 1876 and 1984 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Sillers moved that S. F. No. 1156 be taken from the table. The motion prevailed.

### CONCURRENCE AND REPASSAGE

Mr. Sillers moved that the Senate concur in the amendments by the House to S. F. No. 1156 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1156 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Kirchner	Ogdahl	Schrom
Ashbach	Dunn	Kleinbaum	Olson, A. G.	Sillers
Bang	Fitzsimons	Knutson	Olson, H. D.	Spear
Berg	Gearty	Kowalczyk	Olson, J. L.	Stassen
Bernhagen	Hansen, Baldy	Larson	O'Neill	Stokowski
Blatz	Hansen, Mel	Laufenburger	Patton	Stumpf
Borden	Hanson, R.	Lewis	Perpich, A. J.	Tennessee
Brataas	Hughes	McCutcheon	Pillsbury	Ueland
Brown	Humphrey	Merriam	Purfeerst	Wegener
Chmielewski	Jensen	Milton	Renneke	Willet
Conzemius	Josefson	Moe	Schaaf	
Davies	Keefe, S.	Nelson	Schmitz	

So the bill, as amended, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Gearty moved that the report from the Committee on Governmental Operations, reported March 22, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Gearty moved that the foregoing report be now adopted. The motion prevailed.

#### CONFIRMATION

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

#### MINNESOTA HOUSING FINANCE AGENCY

Bernard Carlson, 1216 Selmser Avenue, Cloquet, Carlton County, effective July 2, 1975, for a term expiring January 1, 1977.

The motion prevailed. So the appointment was confirmed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Gearty moved that the report from the Committee on Governmental Operations, reported March 22, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Gearty moved that the foregoing report be now adopted. The motion prevailed.

#### CONFIRMATION

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations, reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

#### STATE ZOOLOGICAL BOARD

Robert Ferguson, 855 Cliff Road, Eagan, Dakota County, effective January 27, 1976, for a term expiring January 1, 1981.

The motion prevailed. So the appointment was confirmed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Gearty moved that the report from the Committee on Governmental Operations, reported March 22, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Gearty moved that the foregoing report be now adopted. The motion prevailed.

#### CONFIRMATION

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations, reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

**MINNESOTA HOUSING FINANCE AGENCY**

Richard Miller, 2652 Marshall Street N.E., Minneapolis, Hennepin County, effective January 1, 1975, for a term expiring January 1, 1979.

The motion prevailed. So the appointment was confirmed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Gearty moved that the report from the Committee on Governmental Operations, reported March 22, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Gearty moved that the foregoing report be now adopted. The motion prevailed.

**CONFIRMATION**

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations, reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

**MINNESOTA HOUSING FINANCE AGENCY**

James Johnson, 2225 Irving Avenue South, Minneapolis, Hennepin County, effective July 18, 1975, for a term expiring January 1, 1978.

Reverend Lawrence Gavin, St. Edward's Church, 2000 West Oakland Avenue, Austin, Mower County, effective January 1, 1976, for a term expiring January 1, 1980.

**STATE BOARD OF HUMAN RIGHTS**

Finette Magnuson, 2141 Doswell Avenue, St. Paul, Ramsey County, effective January 12, 1976, for a term expiring January 1, 1978.

The motion prevailed. So the appointments were confirmed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Gearty moved that the report from the Committee on Governmental Operations, reported March 22, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Gearty moved that the foregoing report be now adopted. The motion prevailed.

**CONFIRMATION**

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations, reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

**DEPARTMENT OF FINANCE—COMMISSIONER**

Gerald Christenson, 127-16th Avenue N.W., New Brighton, Ramsey County, effective June 1, 1975, for a term expiring January 1, 1979.

**MUNICIPAL COMMISSION**

Thomas J. Simmons, 412 South 11th, Olivia, Renville County, effective June 30, 1975, for a term expiring June 30, 1981.

**CAPITOL AREA ARCHITECTURAL AND PLANNING COMMISSION**

Gordon Rosenmeier, 606 Southeast 1st Street, Little Falls, Morrison County, effective July 1, 1975, for a term expiring July 1, 1979.

Mrs. Solveig Premack, 5226 Stevens Avenue, Minneapolis, Hennepin County, effective July 1, 1975, for a term expiring July 1, 1979.

Mrs. Marjorie Vogel, 999 Kingman, Red Wing, Goodhue County, effective July 1, 1975, for a term expiring July 1, 1979.

The motion prevailed. So the appointments were confirmed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Gearty moved that the report from the Committee on Governmental Operations, reported March 22, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Gearty moved that the foregoing report be now adopted. The motion prevailed.

Mr. Spear requested that the appointment of Anna Lawler to the State Board of Human Rights be divided out. So the question was divided.

**CONFIRMATION**

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations, reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

**STATE BOARD OF HUMAN RIGHTS**

Rebecca Knittle, 4656 Clinton Avenue South, Minneapolis, Hennepin County, effective February 25, 1976, for a term expiring January 1, 1977.

Melda Hedblom, 1801 Summit Avenue, St. Paul, Ramsey County, effective February 25, 1976, for a term expiring January 1, 1979.

James Willis, 3216 First Avenue South, Minneapolis, Hennepin County, effective February 25, 1976, for a term expiring January 1, 1979.

Raul Salazar, 7900 Xerxes Avenue South, Minneapolis, Hennepin County, effective February 25, 1976, for a term expiring January 1, 1979.

Walter Dziedzic, 2727 Cleveland, Minneapolis, Hennepin County, effective February 25, 1976, for a term expiring January 1, 1979.

Tollie Joe Flippin, Jr., 3309 Second Avenue South, Minneapolis, Hennepin County, effective February 25, 1976, for a term expiring January 1, 1979.

Duane Korbek, 8129 Rhode Island Circle, Bloomington, Hennepin County, effective January 1, 1976, for a term expiring January 1, 1979.

Cathy Clardy, 116 Circle High Drive, Burnsville, Dakota County, effective January 1, 1976, for a term expiring January 1, 1979.

Manuel Guerrero, 806 Osceola Avenue, St. Paul, Ramsey County, effective January 1, 1976, for a term expiring January 1, 1979.

Mary Lou Hill, 432 Oliver Avenue South, Minneapolis, Hennepin County, effective January 1, 1976, for a term expiring January 1, 1979.

Branch Miller, 1530 South Sixth Street, Minneapolis, Hennepin County, effective January 1, 1976, for a term expiring January 1, 1979.

Jose Trejo, 841 Delaware Avenue, St. Paul, Ramsey County, effective January 1, 1976, for a term expiring January 1, 1979.

Ilene Jean Atwood, 5413 London Road, Duluth, St. Louis County, effective January 1, 1976, for a term expiring January 1, 1979.

The motion prevailed. So the appointments were confirmed.

### CONFIRMATION

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations, reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

Anna Lawler, 768 Lower Colonial Drive, St. Paul, Ramsey County, effective February 25, 1976, for a term expiring January 1, 1978.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 48 and nays 7, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Josefson	Nelson	Schrom
Ashbach	Dunn	Keefe, J.	North	Sillers
Bang	Fitzsimons	Kleinbaum	Olson, A. G.	Solon
Berg	Gearty	Knutson	Olson, J. L.	Stassen
Bernhagen	Hansen, Baldy	Kowalczyk	O'Neill	Stokowski
Blatz	Hansen, Mel	Larson	Patton	Stumpf
Brataas	Hanson, R.	Laufenburger	Pillsbury	Ueland
Brown	Hughes	Merriam	Purfeerst	Willet
Chenoweth	Humphrey	Milton	Renneke	
Chmielewski	Jensen	Moe	Schmitz	

Those who voted in the negative were:

Coleman	Doty	Schaaf	Spear	Tennessee
Conzemius	Lewis			

The motion prevailed. So the appointment was confirmed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Gearty moved that the report from the Committee on Governmental Operations, reported March 22, 1976, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Gearty moved that the foregoing report be now adopted. The motion prevailed.

Mr. Brown requested that the appointments of the State Personnel Board be divided out.

Mr. Perpich, A. J., requested that the appointment of Mr. William Watters to the State Personnel Board be divided out. So the question was divided.

#### CONFIRMATION

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations, reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

##### STATE ZOOLOGICAL BOARD

Robert Engels, 1921 Humboldt Avenue South, Minneapolis, Hennepin County, effective January 11, 1975, for a term expiring January 1, 1981.

The motion prevailed. So the appointment was confirmed.

#### CONFIRMATION

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations, reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointment of:

##### STATE PERSONNEL BOARD

William Watters, 330 East Faribault, Duluth, St. Louis County, effective January 1, 1976, for a term expiring January 1, 1979.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 30 and nays 27, as follows:

Those who voted in the affirmative were:

Bernhagen	Gearty	Kirchner	O'Neill	Schrom
Blatz	Hansen, Baldy	Larson	Pillsbury	Sillers
Borden	Hanson, R.	McCutcheon	Purfeerst	Solon
Brataas	Hughes	Moe	Renneke	Tennessee
Davies	Humphrey	Nelson	Schaaf	Ueland
Doty	Jensen	Ogdahl	Schmitz	Wegener

Those who voted in the negative were:

Arnold	Coleman	Knutson	Olhoff	Stassen
Bang	Conzemius	Kowalczyk	Olson, A. G.	Stumpf
Berg	Fitzsimons	Laufenburger	Olson, J. L.	Willet
Brown	Hansen, Mel	Lewis	Patton	
Chenoweth	Josefson	Merriam	Perpich, A. J.	
Chmielewski	Keefe, J.	North	Spear	

The motion prevailed. So the appointment was confirmed.

### CONFIRMATION

Mr. Gearty moved that in accordance with the report from the Committee on Governmental Operations, reported March 22, 1976, the Senate, having advised with, do now consent to and confirm the appointments of:

### STATE PERSONNEL BOARD

Marcella Page, 1847 Woodcrest Drive, St. Paul, Ramsey County, effective January 1, 1976, for a term expiring January 1, 1979.

William B. Flaherty, Sr., 3208 Rankin Road, Minneapolis, Hennepin County, effective January 1, 1976, for a term expiring January 1, 1979.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 46 and nays 12, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Laufenburger	Patton	Stokowski
Ashbach	Gearty	Lewis	Perpich, A. J.	Stumpf
Bernhagen	Hansen, Baldy	McCutcheon	Pillsbury	Tennessee
Blatz	Hanson, R.	Merriam	Purfeerst	Ueland
Borden	Hughes	Moe	Schaaf	Wegener
Brataas	Humphrey	Nelson	Schmitz	Willet
Chenoweth	Jensen	North	Schrom	
Chmielewski	Kirchner	Ogdahl	Sillers	
Coleman	Kleinbaum	Olson, A. G.	Solon	
Davies	Larson	O'Neill	Spear	

Those who voted in the negative were:

Bang	Conzemius	Hansen, Mel	Knutson	Olson, J. L.
Berg	Dunn	Josefson	Kowalczyk	Stassen
Brown	Fitzsimons			

The motion prevailed. So the appointments were confirmed.

### RECONSIDERATION

Mr. O'Neill moved that the vote whereby S. F. No. 2014 was passed by the Senate on March 22, 1976, be now reconsidered.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 28 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Hanson, R.	Larson	Pillsbury
Bang	Dunn	Josefson	Laufenburger	Renneke
Berg	Fitzsimons	Keefe, J.	Nelson	Sillers
Bernhagen	Frederick	Kirchner	Olson, J. L.	Ueland
Blatz	Hansen, Baldy	Knutson	O'Neill	
Brataas	Hansen, Mel	Kowalczyk	Patton	

Those who voted in the negative were:

Anderson	Davies	Lewis	Olhoft	Spear
Arnold	Doty	McCutcheon	Perpich, A. J.	Stokowski
Borden	Gearty	Merriam	Purfeerst	Stumpf
Chenoweth	Hughes	Milton	Schaaf	Tennessee
Chmielewski	Humphrey	Moe	Schmitz	Willet
Coleman	Keefe, S.	North	Schrom	
Conzemius	Kleinbaum	Ogdahl	Solon	

The motion did not prevail.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Kleinbaum moved that S. F. No. 1530 be taken from the table. The motion prevailed.

### CONCURRENCE AND REPASSAGE

Mr. Kleinbaum moved that the Senate concur in the amendments by the House to S. F. No. 1530 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1530 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Josefson	Moe	Purfeerst
Arnold	Conzemius	Keefe, S.	Nelson	Renneke
Bang	Davies	Kirchner	North	Schmitz
Berg	Dunn	Kleinbaum	Olhoft	Schrom
Bernhagen	Fitzsimons	Knutson	Olson, H. D.	Spear
Blatz	Gearty	Kowalczyk	Olson, J. L.	Stassen
Brataas	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Brown	Hansen, Mel	Lewis	Patton	Stumpf
Chenoweth	Hanson, R.	Merriam	Perpich, A. J.	Tennessee
Chmielewski	Hughes	Milton	Pillsbury	Willet

So the bill, as amended, was repassed and its title was agreed to.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Spear introduced—

Senate Resolution No. 34: A Senate resolution congratulating Marshall-University High School on the winning of the State High School Class A Basketball Tournament by the Legislature of the State of Minnesota.

Referred to the Committee on Rules and Administration.

**SPECIAL ORDER**

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated H. F. No. 1026, No. 33 on the General Orders Calendar, a Special Order to be heard immediately.

H. F. No. 1026: A bill for an act relating to land use planning; establishing a land use planning assistance program of grants for local government units to be administered by the state planning agency and the metropolitan council; appropriating money; amending Laws 1975, Chapter 13, Section 18, Subdivision 2.

Mr. Dunn moved to amend H. F. No. 1026 as follows:

Strike everything after the enacting clause and insert:

“Section 1. [GRANTS; LAND USE PLANNING.] Subdivision 1. In order to improve the land use decision-making capability of local government, the state planning agency shall make grants to the metropolitan council pursuant to section 5, and to towns, counties and municipalities. The state planning agency shall give priority when granting funds to those areas that show a special need according to the provisions of clauses (a) and (b). The grants may be used to employ staff or contract with other units of government or qualified consultants for the following purposes:

(a) To prepare and implement plans which are required for certain areas by law or by designation as a critical area under Minnesota Statutes, Chapter 116G.

(b) To prepare and implement plans which the unit of government is authorized by law to undertake for the management of problems resulting from (1) rapid population or economic growth or decline; (2) potential development in environmentally sensitive areas including but not limited to flood plains, wild and scenic rivers, and shorelands; and (3) the addition or elimination of a major state or federal facility;

(c) To assist neighborhood organizations in cities of the first class to do land use and related planning by making grants to the municipality;

(d) To analyze and prepare plans to preserve and protect agricultural land as defined in Minnesota Statutes 1974, Section 500.24.

Subd. 2. Grants shall not exceed 75 percent of the cost of the land use planning program, except that grants made within a designated critical area may be up to 100 percent of the cost of the planning program.

Subd. 3. For the purpose of this act municipality has the definition stated in Minnesota Statutes 1974, Section 462.352, Subdivision 2.

Sec. 2. [ADMINISTRATION.] The state planning agency shall determine priorities pursuant to section 1, and shall promulgate

rules for the submittal and review of applications hereunder in accordance with the provisions of Minnesota Statutes, Chapter 15.

Sec. 3. [ELIGIBILITY.] Eligibility of grants is limited to units of government authorized by law to plan or adopt and enforce land use controls.

Sec. 4. [REGIONAL DEVELOPMENT COMMISSION REVIEW.] An application for grants from this program shall be submitted to the appropriate regional development commission for review pursuant to Minnesota Statutes 1974, Section 462.391, Subdivision 3, prior to the submittal to the state planning agency. The regional development commission shall complete its review within 45 days after receipt of the application. If an application is not reviewed within the requisite time limit or if an extension of time is not agreed to by the affected parties, the application shall be deemed approved. Until units of local government in the metropolitan area as defined by Minnesota Statutes, Section 473.02 are required by law to prepare and adopt comprehensive plans or portions thereof, the review required by this section shall be made by the metropolitan council for units of local government in the metropolitan area.

Sec. 5. [MANDATORY TRANSFER OF FUNDS.] If part or all of the units of government within the metropolitan area as defined by Minnesota Statutes, Section 473.02 are required by law to prepare and adopt comprehensive plans or specified portions thereof, 50 percent of the funds appropriated for the purposes of section 1, clauses (b), (c) and (d), less the amount previously granted to units of government within the metropolitan area, shall be transferred to the metropolitan council on the effective date of such a law. Funds so transferred are reappropriated to the metropolitan council and shall be used for making grants to units of government within the metropolitan area for the preparation and adoption of comprehensive plans and controls required by law. Not more than five percent of the transferred funds shall be available to the metropolitan council for grant administration.

Sec. 6. [APPROPRIATION.] There is appropriated from the general fund \$2,500,000 to the state planning agency for the purposes of this act, of which \$300,000 shall be used for designated critical areas, and not more than five percent of which shall be available to the state planning agency for administering this act. Fifty percent of the money appropriated for purposes other than section 1, clause (a), shall be granted to local governments outside the metropolitan area as defined in Minnesota Statutes, Section 473.02. The appropriation shall not cancel the first year, but shall be available until June 30, 1977.

Sec. 7. [EFFECTIVE DATE.] This act shall be effective July 1, 1976."

Strike the title and insert:

"A bill for an act relating to land use planning; establishing a land

use planning assistance program of grants for local government units to be administered by the state planning agency; appropriating money.”

The motion prevailed. So the amendment was adopted.

H. F. No. 1026 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 48 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Nelson	Solon
Arnold	Dunn	Kirchner	North	Spear
Bang	Fitzsimons	Kleinbaum	Olson, H. D.	Stokowski
Berg	Frederick	Kowalczyk	Olson, J. L.	Stumpf
Bernhagen	Gearty	Larson	O'Neill	Tennessee
Blatz	Hansen, Mel	Laufenburger	Patton	Ueland
Brataas	Hanson, R.	McCutcheon	Perpich, A. J.	Wegener
Chenoweth	Hughes	Merriam	Purfeerst	Willet
Coleman	Humphrey	Milton	Renneke	
Conzemius	Jensen	Moe	Sillers	

Those who voted in the negative were:

Ashbach	Hansen, Baldy	Pillsbury	Schrom	Stassen
Brown	Knutson	Schmitz		

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

#### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 466, No. 65 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 466: A bill for an act relating to corporations; requiring domestic corporations to file an active status report with the secretary of state; requiring the secretary of state to perform certain duties; providing that corporations that fail to file reports shall lose exclusive right to their names; permitting corporations and others to utilize the names of corporations which have lost exclusive right to their names; establishing filing fees; appropriating money; amending Minnesota Statutes 1974, Chapter 301 by adding a section; and Section 301.05, Subdivision 2.

Mr. Nelson moved to amend S. F. No. 466 as follows:

Page 3, line 21 after “*effectuating*” insert “*and notifying all corporations of*”

The motion prevailed. So the amendment was adopted.

S. F. No. 466 was then progressed.

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated H. F. No. 2201, No. 113 on the General Orders Calendar, a Special Order to be heard immediately.

H. F. No: 2201: A bill for an act relating to the state planning agency; providing additional responsibilities for the state demographer; providing for implementation of federal law permitting the state to design a plan for return of census data to the state; providing precinct boundaries to facilitate census data returns; appropriating money; amending Minnesota Statutes 1974, Section 4.12, Subdivision 7; and Minnesota Statutes, 1975 Supplement, Section 204A.06, Subdivision 1, and by adding a subdivision.

Mr. Keefe, S., moved that the amendment made to H. F. No. 2201 by the Committee on Rules and Administration in the report adopted March 23, 1976, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 2201 was then progressed.

The question recurred on S. F. No. 466.

S. F. No. 466: A bill for an act relating to corporations; requiring domestic corporations to file an active status report with the secretary of state; requiring the secretary of state to perform certain duties; providing that corporations that fail to file reports shall lose exclusive right to their names; permitting corporations and others to utilize the names of corporations which have lost exclusive right to their names; establishing filing fees; appropriating money; amending Minnesota Statutes 1974, Chapter 301 by adding a section; and Section 301.05, Subdivision 2.

Mr. Humphrey moved to amend S. F. No. 466 as follows:

Page 3, line 22, after "act" insert "*, to be available until June 30, 1977*"

The motion prevailed. So the amendment was adopted.

S. F. No. 466 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 35 and nays 26, as follows:

Those who voted in the affirmative were:

Anderson	Borden	Chmielewski	Doty	Hughes
Arnold	Brataas	Coleman	Gearty	Humphrey
Ashbach	Brown	Davies	Hansen, Mel	Keefe, S.

Kirchner	McCutcheon	Nelson	Schaaf	Stumpf
Kleinbaum	Merriam	North	Schmitz	Tennessee
Laufenburger	Milton	Olson, H. D.	Solon	Wegener
Lewis	Moë	Perpich, A. J.	Stokowski	Willett

Those who voted in the negative were:

Bang	Frederick	Knutson	Patton	Stassen
Berg	Hansen, Baldy	Kowalczyk	Pillsbury	Ueland
Bernhagen	Hanson, R.	Larson	Purfeerst	
Blatz	Jensen	Ogdahl	Renneke	
Conzemius	Josefson	Olson, J. L.	Schrom	
Fitzsimons	Keefe, J.	O'Neill	Sillers	

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

The question recurred on H. F. No. 2201.

H. F. 2201: A bill for an act relating to the state planning agency; providing additional responsibilities for the state demographer; providing for implementation of federal law permitting the state to design a plan for return of census data to the state; providing precinct boundaries to facilitate census data returns; appropriating money; amending Minnesota Statutes 1974, Section 4.12, Subdivision 7; and Minnesota Statutes, 1975 Supplement, Section 204A.06, Subdivision 1, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Frederick	Kirchner	North	Schmitz
Ashbach	Gearty	Kleinbaum	Ogdahl	Schrom
Bang	Hansen, Baldy	Knutson	Olson, H. D.	Sillers
Berg	Hansen, Mel	Kowalczyk	Olson, J. L.	Solon
Bernhagen	Hanson, R.	Larson	O'Neill	Stassen
Brataas	Hughes	Laufenburger	Patton	Stokowski
Brown	Humphrey	Lewis	Perpich, A. J.	Stumpf
Chmielewski	Jensen	McCutcheon	Pillsbury	Tennessee
Coleman	Josefson	Merriam	Purfeerst	Ueland
Doty	Keefe, J.	Milton	Renneke	Wegener
Fitzsimons	Keefe, S.	Nelson	Schaaf	Willett

So the bill passed and its title was agreed to.

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated H. F. No. 920, No. 119 on the General Orders Calendar, a Special Order to be heard immediately.

H. F. No. 920: A bill for an act relating to recreation; environ-

mental preservation and energy conservation; conserving human and natural resources by promoting health and recreation and abating environmental pollution by encouraging the use of bicycles; providing for a bicycle registration system; and prescribing the powers and duties of the commissioner of public safety in relation thereto; directing the commissioner of public safety to study the use of bicycles on streets, highways, bicycle ways and bicycle lanes; prescribing a model bicycle ordinance for political subdivisions; directing the commissioner of natural resources to develop a plan for an interconnecting system of bicycle trails; providing for the construction of bicycle lanes or ways using federal funds; prescribing penalties; and appropriating money.

Mr. Olhoft moved to amend H. F. No. 920 as follows:

Page 2, line 17, after "wheels" insert "but shall not include a children's tricycle"

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

Mr. Schrom moved to amend H. F. No. 920 as follows:

Page 16, line 5, after "enactment" insert ", and shall apply only to the seven-county metropolitan area"

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

H. F. No. 920 was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 38 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, J.	Milton	Spear
Arnold	Fitzsimons	Keefe, S.	Moe	Stassen
Brown	Gearty	Kirchner	North	Stokowski
Chenoweth	Hansen, Mel	Kleinbaum	Ogdahl	Stumpf
Chmielewski	Hughes	Laufenburger	Schaaf	Tennessee
Coleman	Humphrey	Lewis	Schmitz	Willet
Conzemius	Jensen	McCutcheon	Sillers	
Davies	Josefson	Merriam	Solon	

Those who voted in the negative were:

Ashbach	Borden	Hanson, R.	Olson, J L.	Purfeerst
Bang	Brataas	Knutson	O'Neill	Renneke
Berg	Dunn	Larson	Patton	Schrom
Bernhagen	Frederick	Nelson	Perpich, A. J.	Ueland
Blatz	Hansen, Baldy	Olson, H. D.	Pillsbury	Wegener

So the bill passed and its title was agreed to.

**RECESS**

Mr. Coleman moved that the Senate do now recess until 2:00 o'clock p.m. The motion prevailed.

The hour of 2:00 o'clock p.m. having arrived, the President called the Senate to order.

**SPECIAL ORDER**

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated H. F. No. 2203, No. 117 on the General Orders Calendar, a Special Order to be heard immediately.

H. F. No. 2203: A bill for an act relating to medical assistance for the needy; establishing guidelines for reimbursement of medical services furnished by nursing homes; prescribing certain responsibilities for the commissioner of public welfare.

Mr. Kirchner moved to amend H. F. No. 2203, as amended pursuant to Rule 49, adopted by the Senate March 23, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 2225.)

Page 2, after line 16, insert a new subdivision to read:

"Subd. 3. A nonproprietary nursing home which incurred operating losses prior to July 1, 1975, and which pays interest on indebtedness incurred as a result of the operating losses may be reimbursed for the actual interest on that indebtedness if (1) the proceeds of the indebtedness were actually used for operating expenses and (2) the loan was obtained in an arms length transaction. This subdivision shall expire as of July 1, 1978."

Page 3, line 22, after the period, insert " "Purchase" means the acquisition of a nursing home by a new owner or the construction of a new nursing home."

Page 3, line 25, strike "other than governmentally"

Page 3, line 26, strike "owned homes"

Page 3, line 27, strike "eight" and insert "nine"

Page 3, line 29, strike "eight" and insert "seven"

Page 3, line 30, after the period insert "The allowance for governmentally owned homes shall be three percent of the value of the facility."

Page 4, line 8, strike "accumulated" and insert "computed"

Page 4, line 9, strike "original value and on any"

Page 6, line 24, before "balance" insert "consolidated"

Page 6, line 27, strike "and"

Page 6, line 28, strike "together with" and insert "and (3)"

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend H. F. No. 2203, as amended pursuant to Rule 49, adopted by the Senate March 23, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 2225.)

Page 5, line 10, strike "salaries or expenses of a"

Page 5, strike line 11

Page 5, line 12, strike "lobbying activities, (3)"

Page 5, line 15, after the comma insert "and"

Page 5, line 15, strike "unsuccessful"

Page 5, line 16, strike ", and (6) that part of the dues" and insert "which are determined by the court to be frivolous."

Page 5, strike lines 17 and 18

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

H. F. No. 2203 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Josefson	Milton	Pillsbury
Arnold	Dunn	Keefe, J.	Moe	Purfeerst
Bang	Fitzsimons	Keefe, S.	Nelson	Renneke
Berg	Frederick	Kirchner	North	Schmitz
Bernhagen	Gearty	Knutson	Ogdahl	Sillers
Borden	Hansen, Baldy	Kowalczyk	Olson, A. G.	Spear
Brataas	Hansen, Mel	Larson	Olson, H. D.	Stokowski
Chenoweth	Hanson, R.	Laufenburger	Olson, J. L.	Stumpf
Chmielewski	Hughes	Lewis	O'Neill	Tennessee
Conzemius	Humphrey	McCutcheon	Patton	Ueland
Davies	Jensen	Merriam	Perpich, A. J.	Willet

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

#### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated H. F. No. 1984, No. 116 on the General Orders Calendar, a Special Order to be heard immediately.

#### SUSPENSION OF RULES

Mr. Moe moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 1984 and that the rules of the Senate be so far suspended as to give H. F. No. 1984 its third reading and place it on its final passage. The motion prevailed.

H. F. No. 1984: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money; amending Minnesota Statutes 1974, Sec-

tions 48.24, Subdivision 5; and 290.08, by adding a subdivision; Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20; and 290.09, Subdivision 4.

Mr. Moe moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 2, line 4, after "and" insert "may be"

Page 2, line 20, delete "Subdivisions 1 and" and insert "Subdivision"

Page 2, line 29, after the period insert "This loan shall be secured by a first real estate mortgage evidenced by one or more notes that may carry different interest rates."

Page 2, line 29, after "interest" insert "earned by the seller of the property"

Page 7, line 17, delete "provided" and insert "approved"

Page 10, after line 10, insert "Subd. 3. [WAIVER OF TAX PENALTY.] *The commissioner of revenue shall waive the additional tax imposed in subdivision 2 if the applicant has died or suffered a total disability, and the tax imposed in chapter 290 shall apply.*

*For the purposes of this section, "total disability" means the total and permanent loss of sight of both eyes, the loss of both arms at the shoulder, the loss of both legs so close to the hips that no effective artificial members can be used, complete and permanent paralysis, total and permanent loss of mental faculties, or any other injury which totally incapacitates the applicant from working his farm."*

Page 15, line 25, delete "on any payment adjustment"

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Strike everything after the enacting clause and insert:

"Section 1. [PURPOSE.] *Subdivision 1. The purpose of this act is to perpetuate and encourage the increase of family farms and thereby enhance the quality of life and the economy of rural Minnesota, insofar as is possible. The legislature believes this goal may be achieved by creating a system whereby certain loans can be obtained on a long term, low interest basis with interest payments and amortization to be made by the borrower on a basis designed to encourage participation of those farmers desiring acquisition of farm operations, and by increasing credit sources.*

*Subd. 2. [FAMILY FARM SECURITY PROGRAM.] There is established a family farm security program which shall provide money to assist in securing loans pursuant to the provisions of this act.*

Sec. 2. [DEFINITIONS.] *Subdivision 1. For the purposes of this act the following terms shall have the meanings given.*

*Subd. 2. "Applicant" means a person applying for a family farm security loan.*

*Subd. 3. "Board" means the Minnesota family farm security board.*

*Subd. 4. "Family farm security loan" means a loan made by the board to an eligible applicant in an amount no greater than that which will enable the applicant to obtain credit for the acquisition of farm real estate, machinery, equipment, or buildings, approved by the board.*

*Subd. 5. "Farm real estate" means land in Minnesota that is capable of supporting the commercial production of agricultural crops, livestock or livestock products, poultry or poultry products, milk or dairy products, fruit or other horticultural products, including aquatic products.*

*Subd. 6. An "eligible applicant" means an applicant who meets the following basic criteria:*

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

*(b) that he has sufficient experience, training and education in the type of farming for which he wishes the loan and pledges participation in a farm management program which has been approved by the board;*

*(c) that he has total net worth valued at less than \$50,000 in accordance with criteria for establishing net worth. The board shall establish criteria.*

*Subd. 7. "Seller" means the owner of real or personal property, sold to the eligible applicant.*

*Subd. 8. "Lender" means any bank, savings bank, mutual savings bank, building and loan association, savings and loan association, organized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other financial institutions subject to the supervision of the commissioner of banks; and any foreign or domestic corporation engaged in the business of insurance which is subject to the supervision of the commissioner of insurance as defined in Minnesota Statutes, Section 60A.02, Subdivisions 2 and 3; and any financial institution operating under the supervision of the farm credit administration.*

*Subd. 9. "Participant" means any person or entity specified in subdivisions 3, 6, 7 and 8 of this section.*

**Sec. 3. [MINNESOTA FAMILY FARM SECURITY BOARD.]**  
*Subdivision 1. [CREATION.] In order to aid farmers in obtaining credit for the acquisition of farm real estate, machinery, equipment, and buildings, there is established a public body corporate and politic to be known as the Minnesota family farm security board, which shall provide credit for loans made according to the provisions of this act.*

*Subd. 2. [ADMINISTRATION.] The family farm security program shall be administered by the board.*

**Subd. 3. [MEMBERSHIP.]** *The board shall consist of one person from each of the development regions established pursuant to Minnesota Statutes 1974, Sections 462.387 to 462.395, for four year terms commencing 180 days following the effective date of this act.*

**Subd. 4. [OFFICERS.]** *The board shall annually elect a chairman and other officers as necessary to conduct its business.*

**Subd. 5. [EX-OFFICIO MEMBERS.]** *The following, or their designees, shall serve as ex-officio, non-voting members of the association:*

(a) *the commissioner of agriculture;*

(b) *the commissioner of commerce;*

(c) *the legislative auditor;*

(d) *an agricultural economist designated by the university of Minnesota board of regents;*

(e) *two officers from commercial lending institutions selected by the commissioner of banking;*

(f) *one officer from a farm credit association selected by the commissioner of banking.*

**Subd. 6. [COMPENSATION.]** *The members, officers and ex-officio members shall receive no compensation for their services but shall be entitled to their reasonable and necessary expenses actually incurred in discharging their duties.*

**Subd. 7. [CONTROL.]** *The management and control of the board shall be vested solely in the members in accordance with the provisions of this act.*

**Subd. 8. [ORGANIZATION.]** *The powers of the board shall be vested in the members thereof in office from time to time and a majority of the members of the board constitutes a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, notwithstanding the existence of any vacancies. Action may be taken by the board upon a vote of a majority of the members present.*

**Subd. 9. [STAFF.]** *The board shall employ an executive director and other employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation. The board may delegate to one or more of its employees such powers or duties as it may deem proper.*

**Subd. 10. [LIABILITY.]** *The members and officers of the board shall not be liable personally, either jointly or severally, for any debt or obligation created or incurred by the board.*

**Subd. 11. [RULES.]** *The board shall promulgate rules, forms and procedures necessary for the efficient administration of this act, sections 24 and 25 excepted.*

**Sec. 4. [SPECIFIC POWERS OF THE BOARD.]** *Subdivision*

1. *The board shall have the specific powers and duties set forth in this section.*

*Subd. 2. It may make or participate in the making of loans to applicants pursuant to this act. Loans shall be made only upon determination by the board that the loans are not otherwise available, wholly or in part, from private or other lenders, upon equivalent terms and conditions.*

*Subd. 3. It may purchase and enter into commitments for the purchase of eligible securities provided that the board shall first determine that the proceeds of the securities will be utilized for the purposes specified in this section.*

*Subd. 4. It may accept appropriations, gifts, grants, bequests and devises, and utilize or dispose of the same to carry out its corporate purpose.*

*Subd. 5. It may make and execute contracts, releases, compromises, compositions and other instruments necessary or convenient for the exercise of its powers, or to carry out its corporate purpose.*

*Subd. 6. It may collect reasonable interest, fees, and charges in connection with making and servicing its loans, notes, bonds, obligations, commitments and other evidence of indebtedness. Such interest, fees and charges shall be limited to the amounts required to pay the costs of the board, including operating and administrative expenses, and reasonable allowances for losses which may be incurred. It may invest any funds not required for immediate disbursement as recommended by the executive director of the Minnesota state investment board.*

**Sec. 5. [GENERAL POWERS OF THE BOARD.]** *Subdivision 1. For the purpose of exercising the specific powers granted in section 4 and effectuating the other purposes of this act the board shall have the general powers granted in this section.*

*Subd. 2. It may sue and be sued.*

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

*Subd. 4. It may make, and from time to time, amend and repeal rules and regulations not inconsistent with the provisions of this act.*

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

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

*Subd. 7. It may acquire real property, or an interest therein, in its own name, by purchase or foreclosure, where such acquisition is necessary or appropriate to protect any loan in which the board has an interest and may sell, transfer and convey any such property to a buyer and, in the event such sale, transfer or convey-*

*ance cannot be effected with reasonable promptness or at a reasonable price, may lease such property to a tenant.*

*Subd. 8. It may sell, at public sale, any note, mortgage or other instrument or obligation evidencing or securing a loan.*

*Subd. 9. It may procure insurance against any loss in connection with its property in such amounts, and from such insurers, as may be necessary or desirable.*

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

*Subd. 11. It may make and publish rules and regulations respecting its lending, lending procedures, and any other rules and regulations as are necessary to effectuate its corporate purpose.*

*Subd. 12. It may borrow money to carry out and effectuate its corporate purpose and may issue its negotiable bonds or notes as evidence of any such borrowing in accordance with this act.*

**Sec. 6. [ADDITIONAL POWERS AND DUTIES OF THE BOARD.]** *Subdivision 1. In addition to the powers granted in sections 4 and 5 the board shall have the further powers granted in this section.*

*Subd. 2. It may enter into agreements with lenders or the issuers of securities for the purpose of this act financed in whole or in part by the proceeds of eligible loans or eligible securities purchased by the board.*

*Subd. 3. It may undertake and carry out studies and analyses of agricultural needs within the state in cooperation with the university of Minnesota, or the department of agriculture so as to meet the needs of agriculturists and may disseminate resulting information.*

*Subd. 4. It shall make recommendations to the governor, legislature and the public on or before December 1 of each year regarding any needed state policy or program changes designed to foster and promote the economic health and viability of family farms.*

*Subd. 5. The board from time to time may issue its negotiable bonds and notes in such principal amounts as, in the opinion of the board, shall be necessary to provide sufficient funds for achieving its purposes, including the making of eligible loans and the purchase of eligible securities, the payment of interest on bonds and notes of the board, the establishment of reserves to secure such bonds and notes, and the payment of all other expenditures of the board incident to and necessary or convenient to carry out its corporate purposes and powers.*

*Subd. 6. The board from time to time may issue bonds or notes for the purpose of refunding any bonds or notes of the board then*

*outstanding, including the payment of any redemption premiums thereon and any interest accrued or to accrue to the redemption date next succeeding the date of delivery of such refunding bonds or notes. The proceeds of any refunding bonds or notes may, in the discretion of the board, be applied to the purchase or payment at maturity of the bonds or notes to be refunded, or to the redemption of outstanding bonds or notes on the redemption date next succeeding the date of delivery of refunding bonds or notes and may, pending application, be placed in escrow to be applied for such purpose, retirement, or redemption. Any escrow proceeds, pending such use, may be invested and reinvested in obligations issued or guaranteed by the state or United States or by any agency or instrumentality thereof, or in certificates of deposit or time deposits, secured in a manner as the agencies shall determine, maturing at the time or times as shall be appropriate to assure the prompt payment of the principal of and interest and redemption premiums, if any, on the bonds or notes to be refunded. The income earned or realized on any investments may also be applied to the payment of the bonds or notes to be refunded. After the terms of the escrow have been fully satisfied, any balance of proceeds and investment income may be returned to the board for use by it in any lawful manner. All refunding bonds or notes issued under the provisions of this subdivision shall be issued and secured in the manner provided by the resolution of the board.*

*Subd. 7. All bonds or notes issued hereunder shall be negotiable investment securities within the meaning and for all purposes of the uniform commercial code, subject only to any provisions of the bonds and notes for registration. All notes and bonds so issued shall be general obligations of the board, secured by its full faith and credit, and payable out of any monies, assets, or revenues of the board, subject to the provisions of resolutions or indentures pledging and appropriating particular monies, assets, or revenues to particular notes or bonds.*

**Sec. 7. [BONDS AND NOTES; RESOLUTIONS AUTHORIZING, ADDITIONAL TERMS, SALE.]** *The notes and bonds of the board shall be authorized by a resolution or resolutions adopted by the board and shall bear a date or dates, shall mature at a time or times, shall bear interest at a rate or rates, be in denominations, be in form, carry registration privileges, be executed in a manner, be payable in lawful money of the United States of America, at the place or places within or without the state, and be subject to terms of redemption prior to maturity as the resolutions or certificates may provide. No note shall mature more than ten years from its date or from the date of any note refunded thereby. The maximum maturity of any bond, whether or not issued for the purpose of refunding, shall be 50 years from its date. The notes and bonds of the board may be sold at public or private sale, at a price or prices as the board shall determine.*

**Sec. 8. [BONDS AND NOTES; OPTIONAL RESOLUTION AND CONTRACT PROVISIONS.]** *Subdivision 1. Any resolution authorizing any notes or bonds or any issue thereof may contain provisions, which shall be a part of the contract with the holders thereof, as to the matters referred to in this section.*

*Subd. 2. It may pledge or create a lien on all or any part of the moneys or property of the board and any moneys held in trust or otherwise by others to secure the payment of the notes or bonds or of any issue thereof, subject to agreements with bondholders or note-holders as may then exist.*

*Subd. 3. It may provide for the custody, collection, securing, investment, and payment of any moneys of the board.*

*Subd. 4. It may set aside reserves or sinking funds and provide for the regulation and disposition thereof and may create other special funds into which any moneys of the board may be deposited.*

*Subd. 5. It may limit the loans and securities to which the proceeds of sale of notes or bonds may be applied and may pledge repayment thereon to secure the payment of the notes or bonds or of any issue thereof.*

*Subd. 6. It may limit the issuance of additional notes or bonds, the terms upon which additional notes or bonds may be issued and secured, and the refunding of outstanding or other notes or bonds.*

*Subd. 7. It may prescribe the procedure, if any, by which the terms of any contract with noteholders or bondholders may be amended or abrogated, the amount of notes or bonds the holders of which must consent thereto, and the manner in which such consent may be given.*

*Subd. 8. It may vest in a trustee or trustees such property, rights, powers and duties in trust as the board may determine, which may include any or all of the rights, powers and duties of the bondholders, or may limit the rights, powers and duties of a trustee.*

*Subd. 9. It may define the acts or omissions to act which shall constitute a default in the obligations and duties of the board and may provide for the rights and remedies of the holders of bonds or notes in the event of such default, and provide any other matters of like or different character, consistent with the general laws of the state and other provisions of this act, which in any way affect the security or protection of the notes or bonds and the rights of the holders thereof.*

**Sec. 9. [PLEDGES.]** *Any pledge made by the board shall be valid and binding from the time when the pledge is made, the moneys or property so pledged and thereafter received by the board shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the board, irrespective of whether the parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.*

**Sec. 10. [BONDS AND NOTES; NONLIABILITY OF INDIVIDUALS.]** *Neither the members of the board nor any person executing the notes or bonds shall be liable personally on the notes or bonds or be subject to any personal liability or accountability by reason of the issuance thereof.*

**Sec. 11. [BONDS AND NOTES; PURCHASE AND CANCELLATION BY BOARD.]** *The board, subject to agreements with note-*

holders or bondholders as may then exist, shall have power out of any funds available therefor to purchase notes or bonds of the board, which shall thereupon be cancelled, at a price not exceeding (a) if the notes or bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date thereon, or (b) if the notes or bonds are not redeemable, the redemption price applicable on the first date after the purchase upon which the notes or bonds become subject to redemption plus accrued interest to date.

Sec. 12. [BONDS AND NOTES; NONLIABILITY OF STATE.] *The state of Minnesota shall not be liable on notes or bonds of the board and its notes and bonds shall not be a debt of the state. The notes and bonds shall contain on the face thereof, a statement to that effect.*

Sec. 13. [STATE PLEDGE AGAINST IMPAIRMENT OF CONTRACTS.] *The state pledges and agrees with the holders of any notes or bonds issued under this act that the state will not limit or alter the rights vested in the board to fulfill the terms of any agreements made with the holders thereof, or in any way impair the rights and remedies of the holders until the notes or bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged. The board is authorized to include this pledge and agreement of the state in any agreement with the holders of such notes or bonds.*

Sec. 14. [DEFAULT IN PAYMENTS; APPOINTMENT OF TRUSTEE.] *If the board defaults in the payments of principal or interest on any issue of notes or bonds after the same shall become due, whether at maturity or upon call for redemption, and the default continues for a period of 30 days, or if the board fails or refuses to comply with the provisions of this chapter, or defaults in any agreement made with the holders of any issue of notes or bonds, the holders of 25 percent in aggregate principal amount of the notes or bonds of the issue then outstanding may appoint a trustee to represent the holders of the notes or bonds for the purposes set forth in section 8, unless the notes or bonds are issued under an indenture made and entered into by the board with a designated trustee.*

Sec. 15. [POWERS AND DUTIES OF TRUSTEE.] *Subdivision 1. The trustee designated in any indenture or resolution securing an issue of notes or bonds, or a trustee appointed pursuant to section 14, may, and upon written request of the holders of 25 percent in principal amount of such notes or bonds then outstanding shall, in his own name, subject to the provisions of such indenture or resolution:*

(a) *Enforce all rights of the noteholders or bondholders, including the right to require the board to collect fees and charges and interest and payments on eligible loans and mortgages made and eligible securities purchased by it adequate to carry out any agreement as to, or pledge of, such fees and charges and payments and to require the board to carry out any other agreements with the holders of such notes or bonds and to perform its duties under this chapter;*

(b) *Bring suit upon such notes or bonds;*

(c) Require the board to account as if it were the trustee of any express trust for the holders of its notes or bonds;

(d) Enjoin any acts or things which may be unlawful or in violation of the rights of holders of such notes or bonds; or

(e) Declare all notes or bonds due and payable, and if all defaults shall be made good, then, with the consent of the holders of 25 percent of the principal amount of notes or bonds then outstanding, the trustee may annul the declaration and consequences.

Subd. 2. In addition to the powers specifically granted herein, the trustee shall have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders or noteholders in the enforcement and protection of their rights.

Subd. 3. The venue of any action or proceedings brought by the trustees under sections 4 to 15 shall be in Ramsey county. Before declaring the principal of notes or bonds due and payable, the trustee shall first give 30 days notice in writing to the board and to the state treasurer.

Sec. 16. [MONEYS OF BOARD.] Subdivision 1. [FUNCTIONS OF STATE TREASURER.] All moneys of the board, except as otherwise authorized or provided in this section, shall be paid to the state treasurer as agent of the board, who shall not commingle such moneys with any other moneys. The moneys in such accounts shall be paid out on warrants drawn by the commissioner of finance on requisition of the chairman of the board or of any other officer or employee as the board shall authorize to make such requisition. All deposits of moneys shall, if required by the state treasurer or the board, be secured by obligations of the United States or of the state of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give security for such deposits.

Subd. 2. [CONTRACTS AND SECURITY.] Notwithstanding the provisions of this section, the board shall have power, subject to the approval of the state treasurer, to contract with the holders of any of its notes or bonds, as to the custody, collection, securing, investment, and payment of any moneys of the board or any moneys held in trust or otherwise for the payment of notes or bonds, and to carry out the contract. Moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds and deposits of such moneys may be secured in the same manner as moneys of the board, and all banks and trust companies are authorized to give security for such deposits. All moneys so paid to the state treasurer as agent of the board, from whatever source, are appropriated to the board.

Subd. 3. [SYSTEM OF ACCOUNTS.] Subject to agreements with noteholders and bondholders, the commissioner of finance shall prescribe a system of accounts.

Sec. 17. [EXEMPTION FROM TAXES.] Subdivision 1. The property of the board and its income and operation shall be exempt from all taxation by the state or any of its political subdivisions

and all bonds and notes of the board shall be exempt from all taxation by the state or any of its political subdivisions.

*Subd. 2. The state covenants with the purchasers and all subsequent holders and transferees of notes and bonds issued by the board in consideration of the acceptance of and payment for the notes and bonds, that the notes and bonds of the board issued pursuant to this act and the income therefrom and all its fees, charges, gifts, grants, revenues, receipts, and other moneys received or to be received, pledges to pay or secure the payment of such notes or bonds shall at all times be free and exempt from all state, city, county or other taxation provided by the laws of the state, except for estate and gift taxes and taxes on transfers, and except for the Minnesota corporate franchise tax and taxes on transfers, and except for the Minnesota corporate franchise tax measured by income, so long as the interest on federal bonds is included in the income by which the tax is measured.*

**Sec. 18. [FAMILY FARM SECURITY FUND; CREATION, SOURCES.]** *Subdivision 1. There is created and established under the jurisdiction and control of the board a revolving fund to be known as the "family farm security fund".*

*Subd. 2. There shall be paid into the family farm security fund (a) any moneys appropriated and made available by the state for the purposes of the fund; (b) any money which the board receives in repayment of advances made from the fund; (c) any other moneys which may be made available to the board for the purpose of the fund from any other source or sources; (d) all fees and charges collected by the board; (e) all interest or other income not required by the provisions of a resolution or indenture securing notes or bonds to be paid into another special fund.*

*Subd. 3. Whenever any moneys are appropriated by the state to the board solely for a specified purpose or purposes, the board shall establish a separate bookkeeping account or accounts in the family farm security fund to record the receipt and disbursement of moneys and of the income, gained and lost, from the investment and reinvestment thereof.*

**Sec. 19. [FAMILY FARM SECURITY FUND; LOANS, INTEREST, REPAYMENT.]** *Subdivision 1. [LOANS; POLICY.] Loans granted pursuant to subdivisions 2 and 3 of this section are to be based on a flexible policy established and published from time to time by the board which shall reflect economic considerations including land prices, taxes, farm commodity prices, availability of capital, repayment capacity, bond and other money market interest rates, other related factors, and the overall purposes of section 1. The maximum percentage specified in subdivisions 2 and 3 of this section, therefore, are established for the purpose of authorizing a degree of flexibility to the board so as to enable accomplishment of section 1 of this act. In all cases, applicants should be made aware that it is the intent of this act to make possible the goals of section 1 and to avoid providing the financial means for financial ruin or perpetual credit dependency.*

*Subd. 2. [LOANS; REAL ESTATE.] The board may make*

*loans or may participate with eligible applicants and other lenders, public and private, in establishing potential agreements, which, if consummated enable the applicant to obtain credit for the acquisition of farm land.*

*Subd. 3. [LOANS; OTHER ELIGIBLE LOANS.] The board may make loans or may participate with eligible applicants and other lenders, public and private, in establishing potential agreements which, if consummated, enable the applicant to obtain credit for the acquisition of machinery, equipment, or buildings associated with a farm operation.*

*Subd. 4. [INTEREST.] The board may charge applicants an interest rate as near the interest rate paid on bonds issued by the board as viability of the program will permit.*

*Subd. 5. [REPAYMENT.] The board shall cooperate with the applicant to determine repayment terms best suited to accomplish the purposes of this act. Loan and repayment terms may be established on a flexible basis, tailored to the needs of the applicant and the purposes, provisions, and conditions of this act.*

*Subd. 6. [TERMS OF LOANS.] The board shall require as a condition of all loans made pursuant to this act, the following:*

*(a) All participants including sellers, lenders, borrowers, insurers, and the board shall be made aware of the participation of each and all, and*

*(b) Should any participant become aware of loan default, imminent loan default, loss or potential loss of any kind, including disability, non-payment of taxes, non-payment of insurance premiums or any other economic loss factor experienced by the applicant which affects the collateral value of the loan, each shall notify the other in writing within 7 days.*

*Subd. 7. [APPLICATION FORMS.] Family farm security loans shall be transacted on forms provided by the board.*

*Sec. 20. Minnesota Statutes 1974, Section 48.24, Subdivision 5, is amended to read:*

*Subd. 5. Loans or obligations shall not be subject under this section to any limitation based upon such capital and surplus to the extent that they are secured or covered by guarantees, or constitute first liens and family farm security program loans constitute second liens, or by commitments or agreements to take over or purchase the same, made by any Federal Reserve Bank or by the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States.*

*Sec. 21. [DEFAULT OF LOANS.] Subdivision 1. [INITIAL DEFAULT.] Within 90 days of a default on a loan in which the board is participating, the lender shall send notice to all participants including the applicant, who shall be notified forthwith of the consequences of default. The lender and the applicant may agree to take any steps reasonable to assure the fulfillment of the loan obligation.*

*Subd. 2. [FINAL DEFAULT.] After 180 days from the initial default, if the eligible applicant has not made arrangements to meet his obligation, the board shall file a lien against the secured property and such other assignable assets of the borrower, and shall take all other steps permitted by law to recover all monies due and payable to the board.*

*Sec. 22. [BOND FUND.] Subdivision 1. The aggregate principal amount of bonds and notes which are outstanding at any time, excluding the principal amount of any bonds and notes refunded by the issuance of new bonds or notes, shall not exceed the sum of:*

*(a) \$200,000,000 issued for the purpose of providing funds for loans for the acquisition of farm lands, or refunding bonds or notes issued for this purpose, plus*

*(b) \$100,000,000 issued for the purpose of providing funds for the purposes specified in section 19, subdivision 3 of this act, or refunding bonds or notes issued for this purpose, plus*

*(c) \$500,000,000 issued for other purposes specified in section 6, subdivisions 5, 6 and 7.*

*Subd. 2. Subdivision 1 is not a contract with the holders of any bonds or notes excluding the issuance of bonds or notes in excess of said maximum amount, if such maximum shall be increased by law.*

*Subd. 3. The board may create and establish a special fund or funds for the security of one or more or all series of its bonds or notes, which funds shall be known as debt service reserve funds. The board may pay into each debt service reserve fund (a) any moneys appropriated by the state only for the purposes of such fund, (b) any proceeds of sale of bonds or notes to the extent provided in the resolution or indenture authorizing the issuance thereof, (c) any funds directed to be transferred by the board to such debt service reserve fund, and (d) any other moneys made available to the board only for the purpose of such fund from any other source or sources.*

*Subd. 4. The moneys held in or credited to each debt service reserve fund, except as provided in this section, shall be used solely for the payment of the principal of bonds or notes of the board as the same mature, the purchase of such bond or notes, the payment of interest thereon, or the payment of any premium required when such bonds or notes are redeemed before maturity; provided, that moneys in any such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of the fund to less than the amount which the board shall determine to be reasonably necessary for the purposes of the fund, except for the purpose of paying principal or interest due on bonds or notes secured by the fund, for the payment of which other moneys of the board are not available.*

*Subd. 5. Moneys in any debt service reserve fund not required for immediate use or disbursement may be invested in obligations*

of the state or the United States of America, or obligations the principal and interest of which are guaranteed by the state or the United States of America. In computing the amount of any debt service reserve fund for the purpose of this section, securities in which all or a portion of the fund are invested shall be valued at par or, if purchased at less than par, at their cost to the board.

*Subd. 6.* If the board shall create and establish a debt service reserve fund for the security of any series of bonds or notes, it shall not issue any additional bonds or notes which are similarly secured if the amount of any of the debt service reserve funds at the time of such issuance does not equal or exceed the minimum amount, if any, required by the resolution creating such fund, unless the board shall deposit in each such fund at the time of such issuance, from the proceeds of the bonds or notes or otherwise, an amount which, together with the amount then in the fund, will be not less than the minimum amount so required.

*Subd. 7.* To the extent consistent with the resolutions and indentures securing outstanding bonds and notes, the board may at the close of any fiscal year transfer to any other fund or account from any debt service reserve fund, any excess in that fund over the amount deemed by the board to be reasonably necessary for the purpose of the fund.

*Subd. 8.* In order to assure the payment of the principal of and interest on bonds and notes of the board and the continued maintenance of all debt service reserve funds created and established therefor, the board shall annually determine and certify to the governor, on or before December 1, (a) the amount, if any, then needed to restore each debt service reserve fund to the minimum amount required by the resolution or indenture establishing the fund, not exceeding the maximum amount of principal and interest to become due and payable in any subsequent year on all bonds or notes which are then outstanding and secured by such fund; and (b) the amount, if any, determined by the board to be needed in the then immediately ensuing fiscal year, with other funds pledged and estimated to be received during that year, for the payment of the principal and interest due and payable in that year on all then outstanding bonds and notes secured by a debt service reserve fund the amount of which is then less than the minimum amount agreed. The governor shall include and submit to the legislature, in the budget for the following fiscal year, or in a supplemental budget if the regular budget for that year has previously been approved, the amount certified to him by the board in accordance with this subdivision.

*Subd. 9.* The board shall also submit a biennial report of its activities to the governor and the legislature on or before January 15 in each odd-numbered year.

*Subd. 10.* All of the official books and records of the board shall be subject to audit by the state auditor in the manner prescribed for other agencies of state government. The board is authorized also to employ and to contract in its resolutions and indentures for the employment of independent accountants for the audit of books and rec-

*ords pertaining to any fund or funds, and the state auditor is authorized to cooperate with such accountants as provided in sections 6.64 to 6.70.*

Sec. 23. *This act is necessary for the welfare of the state of Minnesota and its inhabitants; therefore, it shall be liberally construed to effect its purpose.*

Sec. 24. Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Min-

nesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) 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;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101.

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) (a) 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 fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

*(b) If farm real estate is sold to be used for agricultural purposes only, and a gain is considered a long-term capital gain for federal income tax purposes, the modification shall be fifty percent of such excess;*

*(c) The commissioner of revenue shall annually determine the percentage increase in the consumer price index for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor with 1967 as a base year. The commissioner shall determine the increase from September 1 of one year to August 30 of the next. He shall announce the percentage figure by November 1 each year and shall adjust the modification percentage accordingly.*

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20;

(5) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(8) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, 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.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 25. Minnesota Statutes 1974, Section 290.16, Subdivision 4, is amended to read:

Subd. 4. [DEDUCTIONS FOR CAPITAL GAINS.] If for any taxable year the net long-term capital gain exceeds the net short-term capital loss, 50 percent of the amount of such excess shall be a deduction from gross income; *if, however, farm real estate is sold to be used for agricultural purpose only, the deduction shall be 75 percent. The commissioner of revenue shall annually determine the percentage increase in the consumer price index for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor with 1967 as a base year. The commissioner shall determine the increase from September 1 of one year to August 30 of the next. He shall announce the percentage figure by November 1 each year and shall modify the percent of deduction accordingly.*

Sec. 26. Minnesota Statutes 1974, Section 291.05, is amended to read:

291.05 [EXEMPTIONS.] The following exemptions from the tax are hereby allowed:

(1) Any devise, bequest, gift, or transfer to or for the use of the United States of America or any state or any political subdivision thereof for public purposes exclusively, and any devise, bequest, gift, or transfer to or for the use of any corporation, fund, foundation, trust, or association operated within this state for religious, charitable, scientific, literary, education or public cemetery purposes exclusively, including the encouragement of art and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt. Any devise, bequest, gift, or transfer to an employee stock ownership trust as defined in section 290.01, subdivision 3 25, shall be exempt. Where the beneficiaries of a stock ownership trust include the transferor, his spouse, children, grandchildren, parents, siblings or their children, the amount of the exemption shall be reduced

by the product of multiplying said amount by their percentage interest in the trust.

Any devise, bequest, gift, or transfer, not to exceed \$1,000 made to a clergyman, the proceeds of which are to be used for religious purposes or rites designated by the testator, shall be exempt. Any devise, bequest, gift, or transfer to or for the use of any corporation, fund, foundation, trust, or association operated for religious, charitable, scientific, literary, education, or public cemetery purposes exclusively, including the encouragement of art, and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or any individual, and any bequest or transfer to a trustee or trustees exclusively for such purposes, shall be exempt, if, at the date of the decedent's death, the laws of the state under the laws of which the transferee was organized or existing, either (1) did not impose a death tax of any character, in respect of property transferred to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of this state, or (2) contained a reciprocal provision under which transfers to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of another state were exempted from death taxes of every character if such other state allowed a similar exemption to a similar corporation, fund, foundation, trust, or association, organized under the laws of such state.

(2) The homestead of a decedent, and the proceeds thereof if sold during administration, transferred to the spouse or to any minor or dependent child of the decedent, or to any minor or dependent legally adopted child of the decedent, shall be exempt to the extent of \$30,000 of the appraised value thereof.

Proceeds of any insurance policy issued by the United States and generally known as war risk insurance, United States government life insurance or national service life insurance payable upon the death of any person dying on or after June 24, 1950, shall be exempt.

Proceeds of life insurance issued pursuant to Public Law 89-214 and generally known as servicemen's group life insurance payable upon the death of any person on or after September 1, 1965, shall be exempt. Claims for refunds of inheritance tax paid on such proceeds shall be accepted by the commissioner if filed with him by December 31, 1970, or within 18 months after such payment, whichever is later.

Proceeds of payments from the United States railroad retirement fund; or from the United States as social security benefit, shall be exempt.

(3) (i) Property or any beneficial interest therein of the clear value of ~~\$30,000~~ \$100,000 transferred to the ~~widow~~ surviving spouse, shall be exempt.

(ii) Provided, where the amount of family maintenance allowed by the probate court is less than the maximum deductible under the provisions of section 291.10, or if no such maintenance

is allowed, there shall be allowed to the ~~widow surviving spouse~~ an additional exemption equal in amount to the difference between the maximum deduction as provided by section 291.10 and the amount of such family maintenance allowed by the probate court. Further provided, where no probate proceedings are had there shall be allowed to the ~~widow surviving spouse~~ an additional exemption equal to the maximum deduction allowed for family maintenance under the provisions of section 291.10.

(4) (i) Property or any beneficial interest therein of the clear value of ~~\$15,000~~ \$30,000 transferred to each minor or dependent child of the decedent, or any minor or dependent legally adopted child of the decedent, shall be exempt.

(ii) Provided, where the decedent left no ~~widow surviving spouse~~ entitled to the exemption allowed by clause (3) of this section the exemption allowed by subparagraph (ii) of clause (3) shall be allowed to beneficiaries entitled to exemption under the provisions of this clause (4). In no event shall the aggregate amount of exemption so allowed be in excess of the additional amount that would have been allowed under subparagraph (ii) of clause (3) had such paragraph been applicable.

(5) Property or any beneficial interest therein of the clear value of ~~\$6,000~~ \$12,000 transferred to the ~~husband~~, any adult child or other lineal descendant of the decedent, any adult legally adopted child, stepchild as defined in section 291.005, or any child to whom the decedent, for not less than ten years prior to his death, stood in the mutually acknowledged relation of a parent; provided, such mutually acknowledged relationship began at or before the child's fifteenth birthday, and was continuous for ten years thereafter, or any lineal issue of such adopted or mutually acknowledged child, or any lineal ancestor of the decedent, shall be exempt.

(6) Property or any beneficial interest therein of the clear value of ~~\$1,500~~ \$12,000 transferred to any brother or sister or a descendant of a brother or sister of the decedent, a wife or widow of a son, or the husband of a daughter of the decedent, shall be exempt.

(7) Property or any beneficial interest therein of the clear value of \$500 transferred to any person in any other degree of collateral consanguinity than is hereinbefore stated, or shall be a stranger in blood to the decedent, or shall be a body politic or corporate not exempt under this chapter, shall be exempt.

(8) The commissioner of revenue shall annually determine the percentage increase in the consumer price index for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor with 1967 as a base year. The commissioner shall determine the increase from September 1 of one year to August 30 of the next. He shall announce the percentage figure by November 1 each year. The exemptions shall be modified in accordance with such percentage figure.

Sec. 27. [APPROPRIATION.] *There is appropriated from the general fund to the association the sum of \$76,000 for administrative expenses incurred in fulfilling the provisions of this act.* ”

Further amend by striking the title in its entirety and inserting the following:

“A bill for an act relating to agriculture; establishing a family farm security program; creating a family farm security board; prescribing powers and duties; authorizing issuance of bonds and notes; exempting the property and income of the board from taxation; creating a family farm security fund; permitting loans; appropriating money; amending Minnesota Statutes 1974, Sections 48.24, Subdivision 5; 290.16, Subdivision 4; 291.05; and Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20.”

Mr. Bernhagen moved to amend the Bernhagen amendment to H. F. No. 1984 as follows:

Page 14, after line 12, add a new subdivision 6, as follows:

“*Subd. 6. [TAX PENALTY ON CAPITAL GAIN.] Capital gain realized on the sale of property for which a family farm security loan was issued within ten years of the issuance of the loan shall be taxed as follows:*

	<i>Time lapsed from issuance of loan</i>		<i>Tax rate</i>
	<i>At least</i>	<i>but less than</i>	<i>Percent</i>
(a)		<i>1 year</i>	<i>100</i>
(b)	<i>1 year</i>	<i>3 years</i>	<i>90</i>
(c)	<i>3 years</i>	<i>5 years</i>	<i>80</i>
(d)	<i>5 years</i>	<i>7 years</i>	<i>70</i>
(e)	<i>7 years</i>	<i>9 years</i>	<i>60</i>
(f)	<i>9 years</i>	<i>10 years</i>	<i>50”</i>

Renumber the remaining subdivisions.

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

The question being taken on the adoption of the amendment, as amended,

And the roll being called, there were yeas 24 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Josefson	Larson	Pillsbury
Bang	Dunn	Keefe, J.	Nelson	Renneke
Berg	Fitzsimons	Kirchner	Olson, J. L.	Sillers
Bernhagen	Frederick	Knutson	O'Neill	Ueland
Brataas	Jensen	Kowalczyk	Patton	

Those who voted in the negative were:

Anderson	Gearty	Lewis	Olson, H. D.	Stokowski
Arnold	Hansen, Baldy	McCutcheon	Perpich, A. J.	Stumpf
Borden	Hughes	Merriam	Purfeerst	Tennessee
Chmielewski	Humphrey	Moe	Schaaf	Wegener
Coleman	Keefe, S.	North	Schmitz	Willet
Conzemius	Kleinbaum	Olhoft	Solon	
Davies	Laufenburger	Olson, A. G.	Spear	

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

Mr. Renneke moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 1, line 21, strike "*Council*" and insert "*Board*"

Page 1, line 21, strike "*advisory*"

Page 1, line 22, strike "*council*" and insert "*board*"

Page 2, line 3, strike "*commissioner*" and insert "*board*"

Page 3, line 8, strike "*commissioner*" and insert "*board*"

Page 3, line 9, strike "*commissioner*" and insert "*board*"

Page 3, line 18, strike "ADVISORY COUNCIL" and insert "FAMILY FARM BOARD"

Page 3, line 19, strike "*advisory*"

Page 3, line 20, strike "*council*" and insert "*board*"

Page 3, line 20, after "*members*" insert "*with no more than four from the same political party*"

Page 3, line 21, strike "*commissioner of agriculture*" and insert "*board*"

Page 3, strike lines 27 and 28 and insert "(f) *One agricultural economist.*"

Page 3, line 29, strike "*council*" and insert "*board*"

Page 3, line 31, strike "*council*" and insert "*board*"

Page 3, line 32, strike "*council*" and insert "*board*"

Page 4, line 7, strike "*council*" and insert "*board*"

Page 4, line 10, strike "*council*" and insert "*board*"

Page 4, line 17, strike "*and make recommendations to the commissioner as to*"

Page 4, line 18, strike "*their disposition*"

Page 4, line 25, strike "*council*" and insert "*board*"

Page 5, line 4, strike "*commissioner*" and insert "*board*"

Page 5, line 12, strike "*commissioner*" and insert "*board*"

Page 5, line 18, strike "*for approval*"

Page 5, line 19, strike "*commissioner*" and insert "*board*"

Page 5, line 21, strike "*commissioner*" and insert "*board*"

Page 5, line 24, strike "*his*" and insert "*its*"

Page 5, line 25, strike "*commissioner*" and insert "*board*"

Page 5, line 31, strike "*commissioner*" and insert "*board*"

Page 7, line 19, strike "*commissioner*" and insert "*board*"

Mr. Renneke requested division of the amendment as follows:

First portion: All of the amendment except "Page 3, strike lines 27 and 28 and insert "*(f) One agricultural economist.*"

Second portion: Page 3, strike lines 27 and 28 and insert "*(f) One agricultural economist.*"

The question being taken on the adoption of the first portion of the amendment,

And the roll being called, there were yeas 24 and nays 31, as follows:

Those who voted in the affirmative were:

Bang	Dunn	Jensen	Larson	Pillsbury
Berg	Fitzsimons	Josefson	Nelson	Renneke
Bernhagen	Frederick	Keefe, J.	Ogdahl	Sillers
Brataas	Hansen, Baldy	Knutson	Olson, J. L.	Ueland
Brown	Hansen, Mel	Kowalczyk	Patton	

Those who voted in the negative were:

Anderson	Doty	Merriam	Perpich, A. J.	Tennesen
Arnold	Hughes	Milton	Purfeerst	Wegener
Borden	Humphrey	Moe	Schmitz	Willet
Chmielewski	Keefe, S.	North	Schrom	
Coleman	Kleinbaum	Olhoft	Spear	
Conzemius	Laufenburger	Olson, A. G.	Stokowski	
Davies	McCutcheon	Olson, H. D.	Stumpf	

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

The question being taken on the adoption of the second portion of the amendment,

The motion prevailed. So the amendment was adopted.

Mr. Olhoft moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House File is identical to S. F. No. 1895.)

Page 5, line 12, strike the period and insert a semicolon

Page 5, after line 12, insert:

*"(f) that the seller has not acquired the farm land for purposes of obtaining the income tax exemption allowed by sections 8, 9, and 13 of this act."*

The motion prevailed. So the amendment was adopted.

Mr. Nelson moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Strike everything after the enacting clause and insert:

*"Section 1. [CITATION.] This act may be cited as the "small business and family farm assistance act".*

Sec. 2. [FINDINGS; DECLARATION OF POLICY.] *The legislature declares that the preservation and expansion of free competition is basic to the economic well being of the state. It is essential for this preservation and expansion of free competition that the actual and potential capacity of small business and family farm be encouraged and developed. It is the declared policy of the legislature that the state government should assist and protect, to the extent practicable, the interests of small business and family farm in order to preserve free competitive enterprise, to maintain and strengthen the overall economy of the state, to create new employment opportunities and to prevent the migration of persons from certain areas of the state.*

Sec. 3. [DEFINITIONS.] *Subdivision 1. For the purposes of this act the following terms shall have the meanings given.*

*Subd. 2. "Applicant" means a person applying for a small business and family farm security loan.*

*Subd. 3. "Council" means the small business and family farm advisory council.*

*Subd. 4. "Commissioner" means the commissioner of economic development.*

*Subd. 5. "Small business and family farm security loan" means a loan for acquisition of farm land or other real or personal property as approved by the commissioner. It may include one or more of the following: (a) a small business and family farm security loan guarantee; (b) a payment adjustment; (c) a participation loan.*

*Subd. 6. "Farm land" means land in Minnesota that is capable of supporting the commercial production of agricultural crops, livestock or livestock products, poultry products, milk or dairy products, or fruit or other horticultural products.*

*Subd. 7. "Lender" means any bank, savings bank, mutual savings bank, building and loan association, savings and loan association, organized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other financial institutions subject to the supervision of the commissioner of banks, and any foreign or domestic corporation engaged in the business of insurance which is subject to the supervision of the commissioner of insurance as defined in Minnesota Statutes, Section 60A.02, Subdivisions 1 and 3; and any financial institution operating under the supervision of the farm credit administration. In case of participation loans as authorized in section 9, "lender" also means the seller of the property.*

*Subd. 8. "Participation loan" means a loan in which part or all of the purchase price of the farm or other real estate is financed by a loan from the seller of the property, and the remainder of the loan, if any, is supplied by a lender as defined in subdivision 7. A participation loan may be secured by two or more separate notes that carry different interest rates.*

*Subd. 9. "Small business" means a business entity organized for profit, including an individual, partnership, corporation, joint venture, association or cooperative which has its principal place*

of business in Minnesota and which is not (a) dominant in its field of operation or (b) an affiliate or subsidiary of a business dominant in its field of operation.

*Subd. 10. "Socially or economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic disadvantage. This disadvantage may arise from cultural, social or economic circumstances or background, physical location if the person resides or is employed in an area declared as a labor surplus area by the United States Department of Commerce, or other similar cause.*

*Subd. 11. "Dominant in its field of operation" means exercising a controlling or major influence in a business activity in which a number of businesses are engaged. In determining if a business is dominant, the following criteria, among others, shall be considered: number of employees; volume of business; financial resources; competitive status or position; ownership or control of materials, processes, patents, license agreements and facilities; sales territory; and nature of business activity. The following businesses shall be deemed dominant in their field of operation:*

*(a) Manufacturing businesses which employ more than 100 persons and have in the preceding three fiscal years exceeded a total of \$15,000,000 in gross receipts;*

*(b) General construction businesses which in the preceding three fiscal years exceeded a total of \$6,000,000 in gross receipts;*

*(c) Specialty construction businesses which in the preceding three fiscal years exceeded a total of \$3,000,000 in gross receipts; and*

*(d) Nonmanufacturing businesses which employ more than 25 persons and have in the preceding three fiscal years exceeded a total of \$3,000,000 in gross receipts.*

*Subd. 12. "Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in that field of operation, or by partners, officers, directors, majority shareholders, or their equivalent of a business dominant in that field of operation.*

**Sec. 4. [ADMINISTRATION.]** *Subdivision 1. The small business and family farm security program shall be administered by the commissioner.*

*Subd. 2. [RULES.] The commissioner shall promulgate rules necessary for the efficient administration of sections 1 to 8; section 9, subdivisions 1 and 2; section 11, subdivisions 1 and 4; and section 15.*

*Subd. 3. [REPORT TO LEGISLATURE.] On or before January 1 of each year the commissioner shall submit a report to the legislature, as provided in Minnesota Statutes, Section 3.195, concerning the actions of the commissioner and the status of loans granted.*

**Sec. 5. [ADVISORY COUNCIL.]** *Subdivision 1. [COMPOSITION.] There is established a small business and family farm advisory council composed of 13 members appointed by the governor as follows:*

- (a) *Two officers from a commercial lending institution;*
- (b) *One dairy farmer;*
- (c) *One livestock farmer;*
- (d) *One cash grain farmer;*
- (e) *One officer from a farm credit association;*
- (f) *One representative of consumers of food products who shall not be a farmer or lender;*
- (g) *Two small businessmen;*
- (h) *Two accountants;*
- (i) *Two persons engaged in the business of marketing.*

*Subd. 2. [TERMS AND COMPENSATION.] The council shall expire and the terms, compensation and removal of members of the council shall be governed by Minnesota Statutes, Section 15.059. The council shall meet monthly or more often as needed. The terms of the members of the council first appointed shall expire as follows: eight members, on the first Monday in January, 1979; seven members, on the first Monday in January, 1980.*

*Subd. 3. [CHAIRMAN.] The members of the council shall annually elect a chairman and other officers they deem necessary.*

*Subd. 4. [DUTIES.] The duties of the council shall be as follows:*

- (a) *To review and appraise the small business and family farm security program;*
- (b) *To give advice and counsel to the commissioner regarding the small business and family farm assistance program;*
- (c) *To review all applications for small business and family farm security loans and make recommendations to the commissioner as to their disposition;*
- (d) *To make recommendations to the governor, legislature and the public on or before December 31 of each year regarding any needed state policy or program changes to foster and promote the economic health and viability of small business and the family farm.*

*Subd. 5. [STAFF; SERVICES.] The commissioner of economic development shall provide the council with necessary staff, office space and administrative services.*

*Sec. 6. [ELIGIBILITY.] A small business and family farm security loan guarantee, payment adjustment or participation loan approval may be granted if the following criteria are satisfied:*

- (a) *That the applicant is a resident of the state of Minnesota, or shows sufficient evidence that he intends to become a resident;*
- (b) *That the applicant has sufficient education, training, or experience in the type of farming or small business for which he wishes the loan and continued participation in a farm or small*

*business management program, approved by the commissioner, for the duration of the small business family farm security loan;*

*(c) That the applicant has total net worth valued at less than \$50,000 and has demonstrated a need for the loan;*

*(d) That the applicant intends to purchase farm land or other real or personal property to be used by the applicant for small business agricultural purposes.*

*The foregoing powers shall be subject, however, to the following restrictions and limitations:*

*(a) No financial assistance shall be extended pursuant to this subdivision unless the financial assistance applied for is not otherwise available to the applicant on reasonable terms;*

*(b) The loans shall be made upon such terms and conditions as the commissioner determines to be necessary to accomplish the purpose of this act and to provide reasonable security for repayment of the loan.*

**Sec. 7. [PROCEDURE.] Subdivision 1. [APPLYING FOR LOAN; LOAN DENIED.]** *Any person desiring to acquire farm land or other real or personal property for a small business may make application with a lender for one or more of the following: (1) a small business and family farm security loan guarantee; (2) payment adjustment; and (3) participation loan. Upon completion of the appropriate forms by the applicant and the lender, the lender shall forward the application to the commissioner for approval. The commissioner may approve the application if the criteria of sections 6 and 8 are satisfied, and shall notify the applicant and the lender of his decision.*

*If the application is denied, the commissioner shall return the application to the lender with a written statement of the reasons for the denial. The applicant shall be given a copy of the reasons for the denial of the loan. If the circumstances of the applicant change such that he becomes eligible, he may reapply.*

**Subd. 2. [APPROVED LOANS.]** *If the commissioner approves the loan application, he shall retain a copy of the application for his files and return the original to the lender. The applicant and the lender may then complete the transaction for the loan.*

**Subd. 3. [PRIVACY OF RECORDS.]** *The information contained in an application and the statement of reasons for the denial of an application shall be private data on individuals as defined in Minnesota Statutes, Section 15.162.*

**Subd. 4. [DEFAULT; FILING CLAIM.]** *Within 90 days of a default on a small business and family farm security loan, the lender shall send notice to the applicant stating that the commissioner must be notified if the default continues for another 90 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.*

*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 relinquishing to the state all rights of the lender in exchange for payment of the outstanding balance due. If the commissioner is satisfied that the default has occurred, he shall authorize payment of state funds to the lender, and shall notify the defaulting party. The commissioner shall then become the holder of the mortgage. He shall arrange for fair market value appraisal of the farm land or other real or personal property used in small business and shall accept applications from prospective purchasers who meet the criteria of sections 6 and 8 and have the support of a lender willing to finance the purchase. If an application is accepted by the commissioner, the property will be sold to the applicant and treated as though it were a new small business family farm security loan. If no buyer who is a qualified applicant can be found within 90 days at the fair market price as determined by the commissioner, the commissioner shall advertise the property and sell it to the highest bidder.*

*In the case of a participation loan involving more than one note, all of the notes shall be considered to be in default if one of the notes is in default.*

*Subd. 5. [GUARANTEE VOID.] The loan guarantee shall be void only if the guaranteed loan was obtained by fraud or material misrepresentation of which the original lender or subsequent holder had actual knowledge.*

*Sec. 8. [TERMS OF THE LOAN.] Subdivision 1. A small business and family farm security loan shall be transacted on forms provided by the commissioner with the advice of the attorney general. The commissioner shall establish an appraisal procedure and shall thereby determine the value of the property before guaranteeing a small business and family farm security loan.*

*Subd. 2. [PAYMENT ADJUSTMENT.] To be eligible for payment adjustment a small business and family farm security loan shall have a maximum term of 20 years and shall provide for payments at least annually so that the loan shall be amortized over its term with equal annual payments of principal and interest. During the first ten years of a small business and family farm security loan, the commissioner shall annually pay to the lender four percent of the outstanding balance due at the beginning of that year and the applicant shall pay the remainder of the payment due. After the tenth year, the applicant shall make payments according to the stated interest rate. The applicant may petition the commissioner for one ten year renewal of the payment adjustment. If a renewal is granted, in the 21st year the applicant shall reimburse the commissioner for the sums paid on the applicant's behalf under this subdivision. If no renewal is granted, the applicant shall reimburse the commissioner in the 11th year for the sums paid on the applicant's behalf under this subdivision.*

*Subd. 3. [ANNUAL REVIEW OF NET WORTH.] The applicant shall annually submit to the commissioner a statement of his net worth. If his net worth in any year exceeds the sum of \$100,000, the applicant shall be ineligible for a payment adjustment in that year.*

*Sec. 9. [PARTICIPATION LOANS.] Subdivision 1. [AUTHORIZATION.] The commissioner may provide a guarantee to the lenders on*

participation loans when the buyer satisfies the eligibility criteria in section 6. The commissioner may also provide a payment adjustment on behalf of the applicant in the case of participation loans.

**Subd. 2. [NEGOTIABILITY AND MARKETABILITY.]** A participation loan shall be secured by a negotiable note or notes as defined in Minnesota Statutes, Section 336.3-104. Participation loan notes may be sold at a premium or discount. The commissioner must be notified in writing within 30 days when a participation loan note is sold or exchanged.

**Subd. 3. [TAXABILITY.]** The interest earned by the seller of the farm land on a participation loan that is guaranteed by the commissioner shall be excludable from gross income for the year in which it is received.

**Sec. 10.** Minnesota Statutes, 1975 Supplement, Section 290.08, is amended by adding a subdivision to read:

**Subd. 23.** The interest earned by the seller of the farm land on a participation loan that is guaranteed by the commissioner of economic development under the provisions of section 9.

**Sec. 11. [SALE OR CONVEYANCE.] Subdivision 1. [IMMEDIATE REPAYMENT OF LOAN.]** Any applicant who sells or conveys the property for which a small business and family farm security loan was issued shall immediately retire the entire indebtedness still owed to the lender and the commissioner. The new owner may negotiate a small business and family farm security loan in his own right, but under no circumstances may the original loan be assumed by the new owner. This subdivision is not intended to prohibit the applicant from granting a security interest in the property for the purposes of securing an additional loan.

**Subd. 2. [TAX PENALTY ON CAPITAL GAIN.]** Minnesota Statutes, Chapter 290 shall apply to determine the amount of the gain realized on the sale of farm land for which a small business and family farm security loan has been issued. In lieu of the tax imposed by chapter 290, the following rate of tax shall be imposed on any gain realized on the sale of the property:

	Time lapsed from issuance of loan		Tax rate
	At least	but less than	Percent
(a)		1 year	100
(b)	1 year	3 years	90
(c)	3 years	5 years	80
(d)	5 years	7 years	70
(e)	7 years	9 years	60
(f)	9 years	10 years	50

This tax shall no longer be applicable and the tax imposed by chapter 290 shall apply when the property for which a small business and family farm security loan was issued has been held by the applicant for more than ten years after the issuance of the loan. Chapter 290 shall apply when the applicant has realized a loss on the sale of the property.

**Subd. 3. [WAIVER OF TAX PENALTY.]** The commissioner of revenue shall waive the imposition of the tax in subdivision 2 if the applicant has died or suffered a total disability.

*For the purposes of this section, "total disability" means the total and permanent loss of sight of both eyes, the loss of both arms at the shoulder, the loss of both legs so close to the hips that no effective artificial members can be used, complete and permanent paralysis, total and permanent loss of mental faculties, or any other injury which totally incapacitates the applicant from working his farm.*

*Subd. 4. [DISCLOSURE IN LOAN CONTRACT.] Every small business and family farm security loan shall contain notice of the penalties imposed by this section. The lender shall explain these terms to the applicant before submitting the loan to the commissioner for approval.*

**Sec. 12.** Minnesota Statutes 1974, Section 48.24, Subdivision 5, is amended to read:

**Subd. 5.** Loans or obligations shall not be subject under this section to any limitation based upon such capital and surplus to the extent that they are secured or covered by guarantees, or by commitments or agreements to take over or to purchase the same, made by *the commissioner of economic development on the purchase of farm land or by any Federal Reserve bank or by the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States.*

**Sec. 13.** Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:

**Subd. 20. [GROSS INCOME.]** Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through

December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) 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;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101.

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20;

(5) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(8) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, 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 ;

*(10) The interest earned by the seller of the farm land on a participation loan that is guaranteed by the commissioner of agriculture as provided by this act;*

*(11) The amount of gain included in federal adjusted gross income attributable to sales taxed under this act.*

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue

Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 14. Minnesota Statutes, 1975 Supplement, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter; (b) taxes assessed against local benefits of a kind deemed in law to increase the value of the property assessed; (c) inheritance, gift and estate taxes except as provided in section 290.077, subdivision 4; (d) cigarette and tobacco products excise tax imposed on the consumer; (e) that part of Minnesota property taxes for which a credit or refund is claimed and allowed under section 290.0603 or 290.066; (f) federal income taxes, by corporations, national and state banks except as provided in section 290.18; and (g) *the tax imposed by section 10, subdivision 2, of this act when the property has been held for less than ten years after the issuance of the loan; and* ~~(g)~~ (h) tax paid by any corporation or national or state bank to any foreign country or possession of the United States to

the extent that a credit against federal income taxes is allowed under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1974. If the taxpayer's foreign tax credit consists of both foreign taxes deemed paid and foreign taxes actually paid or withheld, it will be conclusively presumed that foreign taxes deemed paid were first used by the taxpayer in its foreign tax credit. Minnesota gross income shall include the amount of foreign tax paid which had been allowed as a deduction in a previous year, provided such foreign tax is later allowed as a credit against federal income tax. Income taxes permitted to be deducted hereunder shall, regardless of the methods of accounting employed, be deductible only in the taxable year in which paid. Taxes imposed upon a shareholder's interest in a corporation which are paid by the corporation without reimbursement from the shareholder shall be deductible only by such corporation.

**Sec. 15. [APPROPRIATIONS.]** *Subdivision 1. There is appropriated from the general fund to a special account in the state treasury the sum of \$20,000,000 to be invested by the state board of investment in such securities as authorized by law.*

*Such sums as may be needed from time to time to pay lenders for defaulted loans are appropriated from the special account to the commissioner. The sum of all outstanding small business and family farm security loans guaranteed by the commissioner at any time shall not exceed ten times the amount of money in the special account created in this subdivision.*

*Subd. 2. The sum of \$800,000 from the general fund is appropriated to the commissioner to be used for payment adjustment under section 7, subdivision 2.*

*Subd. 3. There is appropriated from the general fund to the commissioner the sum of \$74,300 for the biennium ending June 30, 1977, for administrative expenses incurred in fulfilling the provisions of this act."*

Amend the title as follows:

Line 2, after "to" insert "small business and" and after "a" insert "small business and"

Line 3, after "for" strike "farm" and insert "small businesses and farms"

Line 4, strike "real estate"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 27 and nays 30, as follows:

Those who voted in the affirmative were:

Ashbach	Fitzsimons	Knutson	Nelson	Sillers
Bang	Frederick	Kowalczyk	Ogdahl	Spear
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Ueland
Brataas	Jensen	Lewis	Patton	
Brown	Josefson	McCutcheon	Pillsbury	
Chenoweth	Kirchner	Merriam	Renneke	

Those who voted in the negative were:

Anderson	Doty	Kleinbaum	Olson, H. D.	Solon
Borden	Gearty	Laufenburger	Perpich, A. J.	Stokowski
Chmielewski	Hanson, R.	Moe	Purfeerst	Stumpf
Coleman	Hughes	North	Schaaf	Tennessee
Conzemius	Humphrey	Olhoft	Schmitz	Wegener
Davies	Keefe, S.	Olson, A. G.	Schrom	Willet

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

Mr. Tennessee moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 6, strike lines 4 to 8

Re-number the remaining subdivision

The motion prevailed. So the amendment was adopted.

Mr. Tennessee then moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 2, line 27, after "*property*" insert "*who is a natural person or a family farm corporation as defined in section 500.24*"

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen moved that H. F. No. 1984 be re-referred to the Committee on Natural Resources and Agriculture.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 26 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Kirchner	Olson, J. L.	Tennessee
Berg	Hansen, Baldy	Knutson	O'Neill	Ueland
Bernhagen	Hansen, Mel	Kowalczyk	Patton	
Brataas	Jensen	Larson	Pillsbury	
Brown	Josefson	Nelson	Renneke	
Davies	Keefe, J.	Ogdahl	Sillers	

Those who voted in the negative were:

Anderson	Dunn	Kleinbaum	Olson, A. G.	Solon
Arnold	Fitzsimons	Laufenburger	Olson, H. D.	Spear
Borden	Gearty	Lewis	Perpich, A. J.	Stokowski
Chenoweth	Hanson, R.	Merriam	Purfeerst	Stumpf
Chmielewski	Hughes	Milton	Schaaf	Wegener
Coleman	Humphrey	Moe	Schmitz	Willet
Doty	Keefe, S.	Olhoft	Schrom	

The motion did not prevail.

Mr. Olson, J. L. moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 8, line 29, after "commissioner" insert "and the interest earned by any vendor of farm land pursuant to a contract for deed"

Page 9, line 4, before the period insert "and the interest earned by any vendor of farm land pursuant to contract for deed"

Page 15, line 28, before the period insert "and the interest earned by any vendor of farm land pursuant to contract for deed"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 28 and nays 30, as follows:

Those who voted in the affirmative were:

Bang	Chmielewski	Jensen	Larson	Pillsbury
Berg	Dunn	Josefson	Nelson	Renneke
Bernhagen	Fitzsimons	Keefe, J.	Ogdahl	Stassen
Blatz	Frederick	Kirchner	Olson, J. L.	Ueland
Brataas	Hansen, Baldy	Knutson	O'Neill	
Brown	Hansen, Mel	Kowalczyk	Patton	

Those who voted in the negative were:

Arnold	Hanson, R.	Lewis	Perpich, A. J.	Spear
Chenoweth	Hughes	Merriam	Purfeerst	Stokowski
Coleman	Humphrey	Milton	Schaaf	Stumpf
Conzemius	Keefe, S.	Moe	Schmitz	Tennessee
Davies	Kleinbaum	Olhoft	Schrom	Wegener
Doty	Laufenburger	Olson, H. D.	Solon	Willet

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

Mr. Tennessee moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 8, strike lines 27 to 32

Page 9, strike lines 1 to 4

Pages 10 to 18, strike all of Section 13

Renumber the remaining sections

Amend the title as follows:

Line 7, strike "Sections 290.01, Subdivision 20;"

Line 8, strike "290.08, by adding a subdivision; and" and insert "Section"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 35 and nays 29, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Keefe, J.	Nelson	Pillsbury
Bang	Fitzsimons	Kirchner	North	Renneke
Berg	Frederick	Knutson	Ogdahl	Spear
Bernhagen	Hansen, Baldy	Kowalczyk	Olson, A. G.	Stassen
Blatz	Hansen, Mel	Larson	Olson, J. L.	Stumpf
Brataas	Jensen	Lewis	O'Neill	Tennessee
Brown	Josefson	McCutcheon	Patton	Ueland

Those who voted in the negative were:

Anderson	Doty	Keefe, S.	Olhoff	Schrom
Arnold	Dunn	Kleinbaum	Olson, H. D.	Solon
Borden	Gearty	Laufenburger	Perpich, A. J.	Stokowski
Chmielewski	Hanson, R.	Merriam	Purfeerst	Wegener
Coleman	Hughes	Milton	Schaaf	Willet
Conzemius	Humphrey	Moe	Schmitz	

The motion prevailed. So the amendment was adopted.

Mr. Dunn moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 23, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 6, line 31, strike "In" and insert

*"Subd. 4. [SALE OF DEFAULTED PROPERTY.] In the event that title to the property is acquired by the state, upon conveyance of title to the state and expiration of the period of redemption, the commissioner shall, within 15 days of the expiration of such period, undertake to sell the property by publishing a notice of the impending sale at least once each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the county in which the property to be sold is situated. Such notice shall specify the time and place in the county at which the sale will commence, a description of the lots or tracts to be offered, and a general statement of the terms of sale. Except as further provided in this subdivision, the terms and method of sale shall be determined by the commissioner. The commissioner shall sell the property to the highest bidder as determined by taking sealed bids or by public auction, provided that in either event he shall select the successful bidder within 15 days of the date of the last published notice of sale. Bidders shall submit bid security in the form of a certified check or bid bond in the amount of two percent of their bid price and the successful bidder shall remit the balance of the purchase price to the commissioner within 90 days of the date of sale. Upon remittance of such balance within 90 days of the date of sale, the commissioner shall transfer title to the property to the purchaser by quitclaim deed. In the event that the purchaser fails to remit any part of such balance within 90 days of the date of sale, the purchaser shall forfeit all rights to the property and any monies paid thereon and the state shall recommence the sale process as specified in this subdivision. Proceeds from the sale of a parcel of property obtained by the state pursuant to this section shall be paid into the special account authorized in section 15, subdivision 1, to the extent that funds from the special account were disbursed according to the terms of the family farm security loan guarantee. Proceeds in excess of the amount disbursed from the special fund shall be paid into the general fund."*

Page 6, strike line 32

Page 7, strike lines 1 to 11

Renumber the subsequent subdivision

The motion prevailed. So the amendment was adopted.

Mr. Renneke moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 3, line 1, strike "all" and insert "90 percent of the"

The question being taken on the adoption of the amendment,  
And the roll being called, there were yeas 33 and nays 27, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Keefe, J.	Ogdahl	Spear
Bang	Dunn	Kirchner	Olson, J. L.	Stassen
Berg	Fitzsimons	Knutson	O'Neill	Stumpf
Bernhagen	Frederick	Kowalczyk	Patton	Tennessee
Blatz	Hansen, Mel	Larson	Pillsbury	Ueland
Brataas	Jensen	Lewis	Renneke	
Brown	Josefson	Nelson	Sillers	

Those who voted in the negative were:

Arnold	Doty	Kleinbaum	Olhoff	Stokowski
Borden	Hansen, Baldy	McCutcheon	Olson, A. G.	Wegener
Chenoweth	Hanson, R.	Merriam	Olson, H. D.	Willet
Chmielewski	Hughes	Milton	Perpich, A. J.	
Coleman	Humphrey	Moe	Purfeerst	
Conzemius	Keefe, S.	North	Schmitz	

The motion prevailed. So the amendment was adopted.

Mr. Stassen moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 3, line 20, after "members" insert ", with no more than four from the same political party,"

The question being taken on the adoption of the amendment,  
And the roll being called, there were yeas 25 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Josefson	Nelson	Patton
Bang	Dunn	Keefe, J.	Ogdahl	Pillsbury
Bernhagen	Frederick	Knutson	Olhoff	Renneke
Blatz	Hansen, Mel	Kowalczyk	Olson, J. L.	Stassen
Brataas	Jensen	Larson	O'Neill	Ueland

Those who voted in the negative were:

Anderson	Davies	Kleinbaum	North	Spear
Arnold	Doty	Laufenburger	Olson, A. G.	Stokowski
Borden	Gearty	Lewis	Perpich, A. J.	Stumpf
Chenoweth	Hanson, R.	McCutcheon	Purfeerst	Tennessee
Chmielewski	Hughes	Merriam	Schmitz	Wegener
Coleman	Humphrey	Milton	Schrom	Willet
Conzemius	Keefe, S.	Moe	Sillers	

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

Mr. Merriam moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Pages 18 and 19, strike all of Section 14

Amend the title as follows:

Lines 6 and 7, strike “; and Minnesota Statutes, 1975 Supplement, Sections”

Lines 8 and 9, strike “; and 290.09, Subdivision 4”

The motion prevailed. So the amendment was adopted.

Mr. Dunn moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 5, line 6, after “applicant” insert “, his dependents”

Page 8, line 10, after “applicant” insert “, his dependents”

The motion prevailed. So the amendment was adopted.

Mr. Moe moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 7, delete lines 19 through 21 and insert “*The commissioner shall establish by rule an appraisal procedure. He shall thereby determine the value and income potential of the property before guaranteeing a family farm security loan. No guarantee shall be made if the purchase price of the farm land exceeds the appraisal value as determined under the provisions of this subdivision.*”

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 10, after line 28, insert:

“Sec. 13. Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term “gross income,” as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term “gross income” in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term “gross income” in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal

income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to

another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) 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;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101; ;

(12) *The amount by which the gain determined pursuant to section 10, subdivision 2 of this act exceeds the amount of such gain included in federal adjusted gross income.*

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent

exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes ;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20 ;

(5) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses ;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability ;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6 ; and

(8) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65 ; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, 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.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in fed-

eral adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless property to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner."

Renumber the sections in sequence

Amend the title as follows:

Line 6, after "5" insert "; and Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20"

The motion prevailed. So the amendment was adopted.

Mr. Moe moved to amend H. F. No. 1984, as amended pursuant to Rule 49, as amended by Mr. Moe, adopted by the Senate March 24, 1976, as follows:

Page 2, line 29, strike all the language after the period

Page 2, strike line 30

The motion prevailed. So the amendment was adopted.

Mr. Dunn moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 19, after line 26, insert:

*"Sec. 16. [EXPIRATION DATE.] No applications for family farm security loans shall be accepted for processing, approved or denied, after July 1, 1980."*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 28 and nays 29, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Jensen	Nelson	Renneke
Berg	Dunn	Keefe, J.	Ogdahl	Sillers
Bernhagen	Fitzsimons	Kirchner	Olson, J. L.	Stassen
Blatz	Frederick	Knutson	O'Neill	Ueland
Brataas	Hansen, Baldy	Kowalczyk	Patton	
Brown	Hansen, Mel	Larson	Pillsbury	

Those who voted in the negative were:

Anderson	Conzemius	Kleinbaum	North	Stokowski
Arnold	Doty	Laufenburger	Olhoft	Stumpf
Borden	Gearty	McCutcheon	Olson, A. G.	Tennessen
Chenoweth	Hughes	Merriam	Perpich, A. J.	Wegener
Chmielewski	Humphrey	Milton	Purfeerst	Willet
Coleman	Keefe, S.	Moe	Schmitz	

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

Mr. Bernhagen moved to amend H. F. No. 1984, as amended pursuant to Rule 49, adopted by the Senate March 24, 1976, as follows:

(The text of the amended House file is identical to S. F. No. 1895.)

Page 5, line 18, after *"approval."* insert *"The provisions of section 4, subdivision 4 (c) shall be implemented."*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 20 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Jensen	Nelson	Renneke
Bang	Brown	Kirchner	Ogdahl	Sillers
Berg	Frederick	Knutson	O'Neill	Stassen
Bernhagen	Hansen, Mel	Kowalczyk	Patton	Ueland

Those who voted in the negative were:

Anderson	Fitzsimons	McCutcheon	Perpich, A. J.	Stumpf
Arnold	Gearty	Merriam	Pillsbury	Tennessen
Borden	Hansen, Baldy	Milton	Purfeerst	Wegener
Chmielewski	Humphrey	Moe	Schaaf	Willet
Coleman	Keefe, S.	North	Schmitz	
Conzenius	Kleinbaum	Olhoft	Solon	
Davies	Laufenburger	Olson, A. G.	Spear	
Doty	Lewis	Olson, H. D.	Stokowski	

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

H. F. No. 1984 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 37 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Olson, H. D.	Stokowski
Arnold	Hanson, R.	McCutcheon	Perpich, A. J.	Stumpf
Borden	Hughes	Merriam	Purfeerst	Tennessen
Chmielewski	Humphrey	Milton	Schaaf	Wegener
Coleman	Josefson	Moe	Schmitz	Willet
Doty	Keefe, S.	North	Schrom	
Dunn	Kleinbaum	Olhoft	Solon	
Fitzsimons	Laufenburger	Olson, A. G.	Spear	

Those who voted in the negative were:

Ashbach	Brown	Keefe, J.	Ogdahl	Sillers
Bang	Davies	Kirchner	Olson, J. L.	Stassen
Berg	Frederick	Knutson	O'Neill	Ueland
Bernhagen	Hansen, Baldy	Kowalczyk	Patton	
Blatz	Hansen, Mel	Larson	Pillsbury	
Brataas	Jensen	Nelson	Renneke	

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

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olhoft offered the following and moved that it be printed in the Journal. The motion prevailed.

I have been informed by the Secretary of the Senate that because of a malfunction in the Senate voting machine, my vote was not recorded on several votes today. If the machine had been working properly, I would have been recorded as voting in the affirmative on S. F. No. 1156, the confirmation of Anna Lawler, H. F. No. 1026, S. F. No. 466, H. F. No. 2201, H. F. No. 920 and H. F. No. 2203.

Wayne Olhoft, Senator

#### NOTICE OF RECONSIDERATION

Mr. Merriam gave notice of intention to move for reconsideration of S. F. No. 2078.

**MOTIONS AND RESOLUTIONS—CONTINUED  
RECONSIDERATION**

Having voted on the prevailing side, Mr. Hughes moved that the vote whereby the appointment of William Watters to the State Personnel Board was confirmed on March 24, 1976, be now reconsidered. The motion prevailed.

The question recurred on the confirmation of Mr. William Watters to the State Personnel Board.

The question being taken on the adoption of the motion to confirm,

And the roll being called, there were yeas 9 and nays 47, as follows:

Those who voted in the affirmative were:

Borden	Doty	Keefe, J.	Milton	Solon
Davies	Gearty	Keefe, S.	Schaaf	

Those who voted in the negative were:

Anderson	Conzemius	Kowalczyk	Olhoft	Sillers
Arnold	Fitzsimons	Larson	Olson, A. G.	Spear
Bang	Frederick	Laufenburger	Olson, H. D.	Stassen
Berg	Hansen, Mel	Lewis	Olson, J. L.	Stokowski
Bernhagen	Hanson, R.	McCutcheon	O'Neill	Stumpf
Blatz	Hughes	Merriam	Patton	Wegener
Brataas	Humphrey	Moe	Perpich, A. J.	Willet
Brown	Kirchner	Nelson	Purfeerst	
Chmielewski	Kleinbaum	North	Schmitz	
Coleman	Knutson	Ogdahl	Schrom	

The motion did not prevail. So the appointment was not confirmed.

**NOTICE OF RECONSIDERATION**

Mr. Doty gave notice of intention to move for reconsideration of the confirmation of the appointments of Marcella Page and William B. Flaherty, Sr. to the State Personnel Board.

**RECESS**

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

**REPORTS OF COMMITTEES**

Mr. Davies from the Committee on Judiciary, to which were referred the following appointments as reported in the Journal for July 19, 1975:

**COMMISSION ON JUDICIAL STANDARDS**

Harvey A. Stegemoeller

Mrs. Ruby Hunt

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Moe from the Committee on Natural Resources and Agriculture, to which was referred the following appointment as reported in the Journal for March 18, 1976:

#### **WATER RESOURCES BOARD**

**Duane Ekman**

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

#### **APPOINTMENTS**

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 2072, pursuant to the request of the House:

Messrs. Perpich, A. J.; Coleman; Larson; Lewis and Blatz.

H. F. No. 500, pursuant to the request of the House:

Messrs. Humphrey, McCutcheon, Borden, Bernhagen and Hanson, R.

S. F. No. 819, pursuant to the request of the Senate:

Messrs. Stumpf; Keefe, S.; Tennessen; Fitzsimons and Brown.

S. F. No. 1097, pursuant to the request of the Senate:

Messrs. Tennessen, Moe and Kirchner.

S. F. No. 60, pursuant to the request of the Senate:

Messrs. Conzemius, Kowalczyk and Nelson.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 9:00 o'clock a.m., Thursday, March 25, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate